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OFFICE OF THE ATTORNEY GENERAL OF TEXAS

Austin

Gerald C. Mann  
Attorney General

Honorable T. O. Walton, President,  
Agricultural and Mechanical College of Texas  
College Station, Texas

Dear Dr. Walton:

Opinion No. O-4315

Re: Legality of the Board of  
Directors appropriating  
local funds for the pur-  
pose of carrying liabil-  
ity insurance on college-  
owned motor vehicles.

We beg to acknowledge receipt of your letter ask-  
ing for an opinion from this Department, as follows, to-wit:

"The Business Manager of the College has  
requested me to ask your department for an  
opinion with regard to the legality of the  
Board of Directors of the College appropriat-  
ing local funds for the purpose of carrying  
liability insurance on college-owned motor  
vehicles.

"We have understood heretofore that the  
Board of Directors is without legal author-  
ity to carry such insurance and that this ap-  
plies to every branch of the State Government;  
however, we are advised that the Prison system  
carries such insurance and we are of the opin-  
ion that if it is legal for the Prison Board  
to do so, it might be legal for our Board to  
carry such insurance on college-owned and  
operated motor vehicles."

This Department has given several opinions to the  
effect that it is the general policy of the State to carry  
its own risk in respect to insurance on State-owned property,  
the only exception being where the Legislature has by general

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statute, or by specific appropriation indicated otherwise.

The following opinions, copies of which we hand you herewith, exemplify this, to-wit: O-184, O-201, O-842, O-1100, O-1762 and O-2130.

In Opinion No. O-1100 we said:

"An available specific appropriation to pay the premium on any kind of a policy issued in favor of the State would amount to a subsequent declaration of policy by the Legislature and would, to that extent, repeal the policy announced by the Resolution above referred to."

In the same opinion we pointed out that there was at that time a specific appropriation made to the Texas Prison System for the purpose of paying "liability insurance premiums". We, however, held that this specific appropriation for "liability insurance premiums" did not authorize the expenditure of System funds for another kind of insurance premium, as for casualty insurance.

Nowhere in the present Appropriation Act is there any provision or item whatsoever that could be held to cover the expenditure as to which you inquire, and you are therefore accordingly advised that the power does not exist in your Board to make such expenditure.

Very truly yours

ATTORNEY GENERAL OF TEXAS

By /s/ Ocie Speer  
Ocie Speer  
Assistant

APPROVED JAN 16, 1942

/s/ Grover Sellers

FIRST ASSISTANT  
ATTORNEY GENERAL

OS-MR  
Enclosures

APPROVED  
Opinion  
Committee

By BWB  
Chairman