

**Opinion No. 44-4620**

December 1, 1944

**BY:** C. C. McCULLOH, Attorney General

**TO:** Mr. C. R. Sebastian, State Comptroller, Santa Fe, New Mexico

We have your letter of November 27, 1944 wherein you request an official opinion concerning whether state institutions are limited in their contributions for insurance under the provisions of Section 10-416 of the New Mexico 1941 Compilation.

Section 10-416 provides:

"All **state departments and institutions** and all political subdivisions of the state of New Mexico are hereby authorized to cooperate in providing group or other forms of insurance for the benefit of eligible employees of the respective departments, institutions and subdivisions; provided that the contributions of the **state of New Mexico** or any of its departments or the political subdivisions of the state shall not exceed twenty per centum (20%) of the cost of such insurance. (Emphasis ours).

While it is noted that in the first provision of the section that state institutions are specifically named, while in the proviso they are not, it is our opinion that the proviso included state institutions for the reason that the proviso, in fact, is much broader than the original enumerated lists of agencies for the reason that it included the words State of New Mexico, etc. A contribution under the plan authorized in the above section by a state institution would certainly be a contribution by the State of New Mexico and therefore a state institution may not contribute more than 20% of the cost of such insurance.

Section 10-418 of the New Mexico 1941 Compilation provides in part:

"\* \* \* Provided that the provisions of this act (10-416, 10-418) shall not effect (affect) any contract of group insurance now maintained or in force; \* \* \*."

While we have not had access to the particular insurance file of the institution involved we would like to point out that in our opinion the provision contained in the above section was inserted solely to prevent an impairment of any existing contracts of insurance and therefore would have no effect whatsoever upon subsequent renewals of such contracts of insurance which would be considered new contracts.

By HARRY L. BIGBEE,

Asst. Atty. General