



**THE ATTORNEY GENERAL  
OF TEXAS**

**AUSTIN 11, TEXAS**

**GERALD C. MANN**

**~~SCOTT T. SHEPHERD~~  
ATTORNEY GENERAL**

Honorable Joe E. Webb  
County Attorney  
Madison County  
Madisonville, Texas

Dear Sir:

Opinion No. 0-1949

Re: State banks -- County depository -- F. D. I. C. -- Insurance -- Maximum insurance of individual accounts.

We have your letter of February 7, 1940, in which you ask the ruling of this department upon questions therein stated, as follows, to-wit:

"The County depository of Madison County, Texas, was the North Zulch State Bank, located in Madison County in the town of North Zulch. Deposits up to \$5000.00 were guaranteed by the Federal Deposit Insurance Corporation. This bank closed on January 4, 1940, and a liquidating agent of the State Banking Department and officials of the Federal Deposit Insurance Corporation immediately took charge.

"The F. D. I. C., as guarantor, has offered to the County Superintendent the sum of \$5000.00, taking the position that the several account balances of various schools and of various other funds for school purposes comprise only one insurable account within the meaning of the F. D. I. C. Act, and that, therefore, the payment of \$5000.00 by the F. D. I. C. completely discharges its insurance liability as to school funds. The County Superintendent has declined to accept this \$5000.00 offered by the F. D. I. C. Each and all of the schools affected as well as the school funds under consideration are common school districts.

"A list of all accounts involved is attached hereto and made a part hereof. The names of the several accounts are the same as appear on the bank books and the records of the County School officials. Each of these accounts was carried separately, and on a separate sheet by the bank, also by the County School officials.

"Is each Common School District a separate governmental entity?"

"Is each Independent School District a separate governmental entity?"

"Does the money in any account listed under Madison County Board of Education held in trust or otherwise, enjoy such actual separate ownership as to entitle it to separate insurance under the terms of the F. D. I. C. Act? In this connection the term 'County Board of Education' means the same as 'Board of County School Trustees'."

Our opinion No. 0-1948 recently rendered to you has discussed quite fully the principles of law applicable to the questions propounded by you in this particular inquiry, and a further discussion is not thought to be necessary.

In this, as in your other letter of inquiry, you state that each of these accounts was carried separately, and on a separate sheet by the bank.

Our opinion No. 0-1948 answers, we think, all of your inquiries, and no useful purpose could be subserved by making a detailed application of the law, as therein announced, to the particular fund or account listed in the sheet appended to your letter of inquiry.

Very truly yours

ATTORNEY GENERAL OF TEXAS

By /s/ Ocie Speer  
Ocie Speer  
Assistant

OS-MR-IM

APPROVED FEB 15, 1940

/s/ Gerald C. Mann

ATTORNEY GENERAL OF TEXAS

APPROVED  
OPINION  
COMMITTEE  
BY /s/ BWB  
CHAIRMAN