



**THE ATTORNEY GENERAL
OF TEXAS**

AUSTIN 11, TEXAS

**WILL WILSON
ATTORNEY GENERAL**

May 28, 1959

Honorable John White
Commissioner of Agriculture
Capitol Station
Austin, Texas

Opinion No. WW-634

Re: Whether Article 666
controls the purchase
of office equipment by
the Texas Department
of Agriculture from
the Insurance Liquidator.

Dear Mr. White:

This office is in receipt of your recent letter in which you have stated in part, as follows:

"This Department has purchased forty-four (44) pieces of equipment from the Insurance Liquidators, C.H. Langdeau, receiver for Franklin American Insurance Company, the total amount of purchase being \$131.25. Before purchasing, this was cleared with the State Board of Control and proper purchase vouchers were approved and transmitted to the Comptroller Department from which they were returned to us with a refusal of approval for payment. The argument in question is whether or not we are purchasing this equipment from the Insurance Commission or from the Franklin American Insurance Company."

Article 666, Vernon's Civil Statutes, provides for the method of disposal (by sale or transfer to another State agency) of surplus or salvage property belonging to the State of Texas.

Article 21.28, Insurance Code, Vernon's Civil Statutes, establishing the office of State Insurance Liquidator, prescribes the method of appointment and

Honorable John White, page 2 (WW-634)

the duties and responsibilities of the office. The statute provides that he shall be appointed the receiver of any insurance company domiciled in the State of Texas against whom delinquency proceedings have been brought.

The property in question is personal property of the Franklin American Insurance Company which is in receivership. By order of the Court, the receiver obtains possession and title to the property as trustee for the benefit of the creditors and stockholders of the insurance company involved. Neither the Court, the Board of Insurance Commissioners, the Insurance Liquidator nor the State of Texas acquires any proprietary interest in the property.

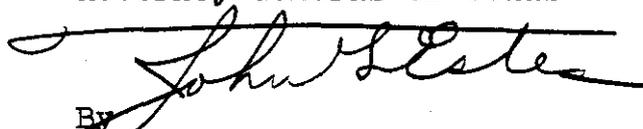
Therefore, it is the opinion of this office that Article 666 has no application to the purchase of the property in question by the Department of Agriculture.

SUMMARY

Article 666 has no application to a purchase of property by the Texas Agriculture Commission from the State Insurance Liquidator.

Very truly yours,

WILL WILSON
Attorney General of Texas


By John L. Estes
Assistant

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APPROVED:

OPINION

OPINION COMMITTEE
Geo. P. Blackburn, Chairman

Elmer McVey
Leonard Passmore
Joe Allen Osborn

REVIEWED FOR THE ATTORNEY GENERAL
BY: W. V. Geppert