

OFFICIAL OPINION NO. 67-68 pg. 448, School Districts not authorized to purchase group wage protection insurance.

STATE OF SOUTH DAKOTA
OFFICE OF
THE ATTORNEY GENERAL

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Robert A. Miller
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Philip, South Dakota 57567

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School Districts not authorized to purchase group wage protection insurance.

Dear Mr. Miller:

You have requested an opinion on the following factual situation:

"I have been requested by the Superintendent of the Philip Independent School District to inquire of you regarding an interpretation of SDC 1960 Supp. 15.3815 and 15.2301, as they were last amended.

"The local district is interested in a group wage protection insurance plan, with the premium to be paid by the school district. I note that SDC 1960 Supp. 15.3815 (amended by Ch. 48, 1967 S. L.) refers only to liability, group life and group health insurance, and retirement program. However, under Section 15.2301 as amended by Ch. 74, 1963 S. L., authorizes the Board to "carry liability and other insurance. . . "

"I have read the official opinion of June 10, 1965, to M. F. Codington providing a broad interpretation of the term 'other insurance.' "

You have asked the following specific question:

"Does the school district have the authority to pay premiums for a group wage protection insurance?"

SDC 1960 Supp. 15.3815, as last amended by Chapter 48, Session Laws of 1967, reads as follows:

"Any school board shall have power to carry public liability insurance protecting its employed personal against liability suits which might be brought against them for acts of negligence while performing their duties as employees of the school district.

"Any school board shall have the power to enter into a retirement and group health insurance contracts for the protection and benefit of its employees, and the immediate families of such employees, and to pay any part or all of the necessary premiums therefor.

"Any school board shall have the power to enter into a retirement pension agreement with its employees for their benefit and to pay any part or all of the necessary premiums therefor."

It is my opinion that the above statute is the statute authorizing school boards to carry insurance for the benefit of employees and it is my opinion that said statute does not authorize group wage protection insurance.

Since SDC 1960 Supp. 15.3815 specifies the types of insurance that may be carried for the benefit of employees, it is my opinion that the term "other insurance" as found in SDC 1960 Supp. 15.2301, as amended by Chapter 74, Session Laws of 1963, should not be interpreted as authorized group wage protection insurance. Your question is therefore answered in the negative.

Respectfully submitted,

Frank Farrar

Attorney General