



**THE ATTORNEY GENERAL
OF TEXAS**

AUSTIN 11, TEXAS

**JOHN BEN SHEPPERD
ATTORNEY GENERAL**

October 8, 1954

Hon. Garland A. Smith, Chairman
Board of Insurance Commissioners
International Life Building
Austin, Texas

Letter Opinion No. MS-158

Re: Payment of travel expenses

Dear Mr. Smith:

You have requested an opinion as to whether the travel expenses of the Director of the Title Insurance Section, Casualty Insurance Division, Board of Insurance Commissioners, who also performs collateral duties as an Assistant Examiner for the Board of Insurance Commissioners, which were incurred in the course of conducting an examination of a title insurance company, may be paid out of the appropriation from the Insurance Examiners' Fund (No. 54).

Under the provisions of Article 1.17 of the Texas Insurance Code, 1951, the Chairman of the Board of Insurance Commissioners is authorized to appoint such number of examiners and assistants as may be necessary, which number may be increased or decreased from time to time to suit the needs of the examining work. That Article also provides that the traveling expenses incurred by examiners and assistants in the course of examining insurance companies are to be paid out of the Insurance Examination Fund.

The Insurance Examination Fund is set up under the provisions of Article 1.16 of the Texas Insurance Code, 1951, and is composed of money collected by the Board of Insurance Commissioners as assessments against insurance companies to defray the cost of examinations.

It is clear that the salary of the Director of the Title Insurance Section and the expenses incurred in performing duties as Director of the Title Insurance Division should be paid out of the appropriations for such salary and travel expenses of the Title Insurance Section. However, the expenses incurred by the Director of the Title Insurance Section as a result of the performance of his collateral duties as an

Hon. Garland A. Smith, page 2 (MS-158)

Assistant Examiner in the course of conducting examinations of title insurance companies should be paid out of the Insurance Examiners' Fund. This manner of payment of such expenses does not supplement the amount of travel expense appropriation made to the Title Insurance Section; it only complies with the aforementioned provisions of Article 1.17 regarding the payment of travel expenses of examiners and assistants incurred in the course of conducting examinations of insurance companies.

Our opinion is, therefore, that the travel expenses incurred by the Director of the Title Insurance Section in the course of conducting an examination of a title insurance company in the performance of his collateral duties as an Assistant Examiner for the Board of Insurance Commissioners may be paid out of the Insurance Examiners' Fund.

We have reviewed the questions, the facts, and the law in Attorney General's Opinions numbers O-2258 (1940), O-7257 (1946), V-05 (1947), and Letter Opinion Number MS-49 (1953). Since the questions and facts presently before us are so clearly distinguishable from those considered in those opinions, we feel they are not in point in the determination of the issue herein.

Yours very truly,

JOHN BEN SHEPPERD
Attorney General

By 
James N. Castleberry, Jr.
Assistant

JNC:wb