

ELEEMOSYNARY INSTITUTIONS) State Sanatorium has no authority to
BOARD OF MANAGERS OF STATE) assign warrants and open accounts for
HOSPITAL #1) collection.

December 29, 1943

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Honorable Ira A. Jones
President
Board of Managers
State Eleemosynary Institutions
Jefferson City, Missouri

Dear Sir:

This Department is in receipt of your letter of December 15, 1943, wherein you make the following inquiry:

"We have a letter from A. H. Bennett & Company, Investment Securities, Kansas City. They are attempting to float a bond issue in Butler County to pay Butler County's accounts.

"Butler County owes State Hospital #1, Fulton \$2,442.80, and the State Sanatorium, Mount Vernon, \$908.72. Is it possible for either the hospitals or the Board of Managers to assign these open accounts and any warrants the two hospitals may have against Butler County, to A. H. Bennett & Company for collection? Undoubtedly they will want a fee for collection.

"If memory serves me right, you have already ruled on this matter, but we do not seem to be able to find it in our files.

"Also, at State Hospital #1 Butler County should have paid this out of Class 1 warrants, and of course the County Court was in error in not paying Class 1 warrants, though probably paying Class 2 warrants, which are salaries.

"Should we bring action against Butler County before Bennett & Company floats the bond issue?"

We presume that Butler County is proceeding under Article 4, Chapter 16, R. S. Mo. 1939. In this event the unpaid warrants

and open accounts mentioned in your letter have been considered and would be paid out of the proceeds of the sale of the bonds.

There is no statutory authority permitting the Board of Managers to assign warrants or open accounts for collection. Reference may be made to Section 9306, R. S. Mo. 1939 in connection with rights of the Board of Managers to enforce collection of all debts and demands.

With respect to payment by Butler County to State Hospital #1 in class 2 warrants, the following sections of the statutes should be observed:

Laws of Missouri, 1941, Section 10911, page 650:

"The court shall classify proposed expenditures in the following order:

"Class 1. The County court shall set aside and apportion a sufficient sum to care for insane pauper patients in state hospitals. Class 1 shall be the first obligation against the county and shall have priority of payment over all other classes."

Laws of Missouri, 1941, Section 10914, page 652:

"The court shall show the estimated expenditures for the year by classes as follows:

"Class 1. Care of paupers declared by lawful authority to be insane (in state hospitals)."

CONCLUSION

We are of the opinion that warrants and open accounts above referred to, cannot be assigned for collection. Further, that Butler County should pay State Hospital #1 out of class 1 warrants.

Respectfully submitted,

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R. C. Lashly
Assistant Attorney-General

APPROVED:

ROY MCKITTRICK
Attorney-General