

Opinion No. 66-18

February 2, 1966

BY: OPINION OF BOSTON E. WITT, Attorney General Paul J. Lacy, Assistant Attorney General

TO: Mr. Alex J. Armijo, State Auditor, State Capitol Building, Santa Fe, New Mexico

QUESTION

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May the Socorro General Hospital, which is run with county and municipal funds, enter into hospital bill settlements with patients for fifty cents on the dollar?

CONCLUSION

No.

OPINION

{*22} ANALYSIS

The Socorro General Hospital is self-supporting, and it is run by a Board of Trustees appointed by the County Commissioners. Currently, the county has an item of \$ 1,000 for assistance with hospital expenses. These factual circumstances show that Socorro General Hospital is a public and not a private institution. **Akopianz v. Board of County Commissioners of Otero County**, 65 N.M. 125, 333 P.2d 611.

The Constitution of New Mexico, Article IV, Section 32, provides as follows:

"No obligation or liability of any person, association or corporation held or owned by or owing to the state, or any municipal corporation therein, shall ever be exchanged, transferred, remitted, released, postponed, or in any way diminished by the legislature, nor shall any such obligation or liability be extinguished except by the payment thereof into the proper treasury, or by proper proceeding in court. Provided that the obligations created by Special Session Laws 1955, Chapter 5 running to the state or any of its agencies, remaining unpaid on the effective date of this amendment are void."

Under this section of our constitution, the Socorro General Hospital may not forgive any portion of the debt owed it by former patients. However, a proper court proceeding may reduce or extinguish such debts.