

## **Opinion No. 69-117**

October 8, 1969

**BY:** OPINION OF JAMES A. MALONEY, Attorney General Robert J. Young, Assistant Attorney General

**TO:** Frank C. L. Livingston, Chief, Property Management Control Division, Department of Finance & Administration, Santa Fe, New Mexico 87501

### **QUESTIONS**

#### QUESTIONS

Can the State of New Mexico contribute to group insurance plans for its employees other than to the plan put out to bid by the Purchasing Agent, which is commonly known as the State Employees Group Insurance Master Plan, and which has been awarded to the Aetna Life and Casualty Co.?

#### CONCLUSION

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### **OPINION**

#### {\*186} ANALYSIS

The State Purchasing Agent is required by the Public Purchases Act, Sections 6-5-17 to 6-5-34, N.M.S.A., 1953 Comp. (1969 P.S.) to be the central purchasing officer for all state agencies. With certain exceptions, all purchasing of materials or services for the state agencies must be performed by the State Purchasing Agent. Section 6-5-21, N.M.S.A., 1953 Comp. (1969 P.S.). "Services" as used in the Public Purchases Act includes insurance except for Workmen's Compensation. Section 6-5-18, N.M.S.A., 1953 Compilation. The term "state agencies" includes any department, institution, board, bureau, court, commission, district or committee of the government of the state and includes every office or officer of any of the above Section 6-5-18 (a), N.M.S.A., 1953 Comp. (1969 P.S.).

"Excluded from the requirement of purchasing through the state purchasing agent are the following:

- (1) the judicial department of the state government, including the district courts which shall purchase centrally through the office of the district court clerk of the county where the materials or services are to be used;
- (2) the legislative department of the state government;

(3) the boards of regents of state educational institutions named in article 12, section 11, of the New Mexico Constitution;

{\*187} (4) the state fair commission; and

(5) the inter-tribal Indian ceremonial association."

Section 6-5-22, N.M.S.A., 1953 Comp. (1969 P.S.).

Contributions by the State of New Mexico to group term life, medical or disability income insurance for the benefit of eligible employees is expressly authorized by statute.

"All state departments and institutions and all political subdivisions of the state may cooperate in providing group term life, medical or disability income insurance for the benefit of eligible employees or salaried officers of the respective departments, institutions and subdivisions. The contributions of the state of New Mexico or any of its departments or institutions or the political subdivisions of the state except counties or municipalities shall not exceed twenty per cent [20%] of the cost of the insurance. The contributions of counties or municipalities shall not exceed fifty per cent [50%] of the cost of the insurance."

Section 5-4-12, N.M.S.A., 1953 Comp. (1969 P.S.).

Therefore, all purchases of group insurance for employees of state agencies must be done by the State Purchasing Agent except for the exclusions listed above. The purchase of such insurance must be made in compliance with the Public Purchases Act, supra, including the requirement for bids. Section 6-5-26, N.M.S.A., 1953 Comp. (1969 P.S.). The State of New Mexico cannot contribute to group term life, medical or disability insurance for the benefit of eligible employees or salaried officers unless all of the provisions of the Public Purchases Act are complied with.