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**SCHOOLS: Districts — Authority of board of education to pay entire cost of hospitalization and surgical insurance.**

The board of education of a school district is authorized in its discretion to pay the entire cost of hospitalization and surgical insurance for school employees and their dependents, and health and accident coverage for school employees only under Sec. 617 of Act 269, P.A. 1955, as amended by Act 96, P.A. 1963.

No. 4170

September 25, 1963.

Hon. Raymond D. Dzendzel  
State Senator  
18501 Shiawassee  
Detroit 19, Michigan

You have requested my opinion on the following question:

Are boards of education of any school district empowered to use moneys of the school district to provide fully paid premiums on hospital and surgical benefits for employees and dependents, including health and accident coverage?

Act 269, P.A. 1955, being C.L.S. 1956 § 340.1 et seq.; M.S.A. 1959 Rev. Vol. § 15.3001 et seq., is known as the School Code of 1955.

Sec. 617 of the School Code of 1955, as added by Act 215, P.A. 1956, provided as follows:

“The board of education of any school district in the process of establishing salaries is hereby permitted to use money in the general fund of the school district to provide insurance protection on a joint participating basis with school employees for any or all of the employees of the school district on any or all of the following at the discretion of the respective school boards:

- (1) Provide for hospital and surgical benefits for employee and dependents.
- (2) Provide health and accident type coverage.”

On April 24, 1963, in Opinion No. 4125, I ruled that a board of education of a school district was without authority to pay the entire cost of hospitalization insurance for school employees and their dependents. Subsequent to the issuance of Opinion No. 4125 the legislature amended Sec. 617 of the School Code of 1955 by means of Act 96, P.A. 1963 to authorize a board of education of any school district to use money in its general fund to provide insurance protection on a “joint participating or nonparticipating basis” with school employees.

Where a statute is clear and unambiguous there is no room for judicial construction and the statute must be given effect according to the plain meaning of the words. *Romeo Homes, Inc. v. Commissioner of Revenue*, 361 Mich. 128 (1960).

A plain reading of the words in Sec. 617 of the School Code of 1955, as amended by Act 96, P.A. 1963, requires the conclusion that the board of

education of any school district may use money in its general fund to provide hospital and surgical benefits for employees and dependents, and health and accident type coverage for school employees only on a joint participating or nonparticipating basis. Thus, the board of education of a school district may use moneys in the general fund to pay the full premium for the above described insurance coverage for school employees.

Therefore, it is my opinion that the board of education of a school district in its discretion is authorized to pay the full premium to purchase hospitalization and surgical insurance for school employees and their dependents, and health and accident coverage for school employees only, pursuant to Sec. 617 of the School Code of 1955, as amended by Act 96, P.A. 1963.

FRANK J. KELLEY,  
*Attorney General.*

63003.1

**CIVIL RIGHTS COMMISSION:** Power to declare and secure enjoyment of Civil Rights in field of housing.

**MUNICIPALITIES:** Power to declare and secure enjoyment of Civil Rights in field of housing.

If either the "Open Occupancy Ordinance" or "Property Owners' Rights Ordinance" of the City of Detroit is adopted, it will be superseded by the Constitution on January 1, 1964, the effective date of the Revised Constitution.

No. 4195

October 3, 1963.

Honorable Michael J. O'Brien  
State Representative  
1010 City-County Building  
Detroit 26, Michigan

You have requested the opinion of this office in regard to the following questions:

1. Does Section 29 of Article V of the new Constitution pre-empt the field of civil rights to the extent that any unit of government may not pass legislation of this type at a local level, specifically referring to the proposed ordinances in the City of Detroit known respectively as the "Open Occupancy Ordinance" and the "Property Owners' Rights Ordinance."
2. Whether or not the proposal known as the "Property Owners' Rights Ordinance" submitted by initiatory petition is unconstitutional and whether it may be placed on ballot.

Taking the second question first, this office is advised that this very question is being considered by the Circuit Court for the County of Wayne in a pending suit. It would, therefore, be inappropriate and unnecessary for this office to render its opinion inasmuch as a court determination is forthcoming.

Consideration will now be given to your first question.