

**Opinion No. 265.****Public Welfare—State Board of Public Welfare—Property—Proceeds of Fire Insurance, Trust Funds, Use of.**

HELD: Funds derived as proceeds of fire insurance covering property of the State Department are trust funds and may be used by the State Board of Public Welfare for any lawful expenditure, regardless of fiscal periods. (See Opinion 99, Vol. 18.)

November 23, 1940.

I. M. Brandjord, Administrator  
State Department of Public Welfare  
Helena, Montana

My Dear Mr. Brandjord:

You have requested opinion as to whether funds derived from proceeds of a policy of fire insurance covering property of the Department, viz., Miles City Tannery, and contents, amounting in all to \$23,000.00 are subject to disposition by the State Board of Public Welfare for any expenditure that the State Department of Public Welfare may lawfully incur. This office has heretofore held that proceeds of a sale of its property are trust funds of the State Department of Public Welfare, and may be used for any purpose of the department regardless of fiscal periods. (See Opinion No. 99, Vol. 18, Official Opinions of Attorney General.)

By the same reasoning, we here hold that proceeds of an insurance policy

received by the State Department for loss by fire of property belonging to the State Department, are likewise trust funds and may be used for any purpose of the Department regardless of fiscal periods.