



STATE OF KANSAS

Office of the Attorney General

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CURT T. SCHNEIDER
Attorney General

June 30, 1975

Opinion No. 75-273

Mr. Arthur Gabriel
Kansas Banking Commissioner
818 Kansas Avenue
Topeka, Kansas 66612

Dear Commissioner Gabriel:

You advise that a question has arisen in the Kansas banking community concerning an amendment to K.S.A. 9-1405 by section 24 of House Bill 2055.

The former requirement of K.S.A. 9-1405 that all bonds and securities pledged to secure state deposits or the deposits of any municipal or quasi-municipal corporation be deposited within the State of Kansas has been amended to require only that such bonds and securities "be deposited under a joint custody receipt issued by a bank within the state of Kansas or the federal reserve bank of Kansas City."

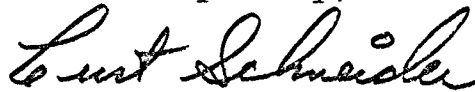
K.S.A. 1974 Supp. 75-4218, although amended in certain respects by section 10 of 1975 Senate Bill 53, continues in force the specific requirement that state bank accounts be secured by deposit of securities with the state treasurer, with the Federal Reserve Bank of Kansas City, Missouri, or with a "bank having adequate modern facilities for the safekeeping of securities and doing business in the state of Kansas. . . ."

Thus, although the specific requirement of K.S.A. 9-1405 that securities pledged to secure state moneys be deposited in banks located in the State of Kansas was deleted from that section, it was continued in K.S.A. 1974 Supp. 75-4218 as amended during the 1975 legislative session. It is suggested that failure to amend the latter section was but an oversight, and that it was the probable legislative intent in enacting these two comprehensive bills to permit the deposit of securities pledged to secure state moneys in

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banks located outside the state, just as was permitted for other public moneys by House Bill 2055. K.S.A. 1974 Supp. 75-4218 as amended by Senate Bill 53 is clear and precise regarding the deposit of pledged securities. Whatever may have been the legislative intent, and assuming that failure to amend the section to permit out-of-state deposits was indeed a legislative oversight, there is no ambiguity or imprecision in the language of K.S.A. 1974 Supp. 75-4218 which provides any ground for an interpretive construction of its terms to permit deposit of pledged securities with banks other than those expressly within its clear and direct language.

Yours very truly,



CURT T. SCHNEIDER
Attorney General

CTS:JRM:jj

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