



STATE OF KANSAS

Office of the Attorney General

1st Floor, State Capitol Bldg. (913) 296-2215 Topeka, Kansas 66612

Curt T. Schneider.
Attorney General

March 10, 1976

ATTORNEY GENERAL OPINION NO. 76- 85

Mr. Lyle D. Ocobock
Special Assistant State Treasurer
535 Kansas Avenue
Topeka, Kansas 66603

Re: Treasurer--State Moneys--U.S. Government Veterans
Administration Loan Guaranty Certificates

Synopsis: Loan Guaranty Certificates issued by the United States
Veterans Administration meet the requirements of K.S.A.
1975 Supp. 75-4201(p). They may therefore be pledged as
security for state bank accounts.

* * *

Dear Mr. Ocobock:

You have requested an opinion whether United States Government
Veterans Administration Loan Guaranty Certificates meet the defini-
tion for securities as specified in K.S.A. 1975 Supp. 75-4201(p)
to satisfy the requirements for pledgability pursuant to K.S.A.
1975 Supp. 75-4218.

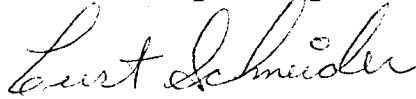
We have examined your copy of a Loan Guaranty Certificate and
the provisions of 38 U.S.C.A. § 1801, *et seq.*, and it is our
opinion that such guaranty certificates insure loans as to
principal and interest [(38 C.F.R. 36.4301(s)] via an agency of
the United States Government. [Pub.L. 85-857, Sept. 2, 1958,
72 Stat. 1114 (38 U.S.C.A. § 201)].

Accordingly, it is the opinion of this office that loan guaranty
certificates issued by the Veterans Administration insuring
principal and interest meet the requisite qualifications under
K.S.A. 1975 Supp. 75-4201(p) (1). We point out, however, that these

Mr. Lyle D. Ocobock
Page Two
March 10, 1976

loan guaranty certificates insure varying percentages of principal and interest, and to this extent the amount pledgable must be so limited.

Yours very truly,

A handwritten signature in cursive script that reads "Curt T. Schneider".

CURT T. SCHNEIDER
Attorney General

CTS:JPS:kj