



STATE OF KANSAS

Office of the Attorney General

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Curt T. Schneider
Attorney General

August 23, 1978

ATTORNEY GENERAL OPINION NO. 78- 266

Mr. Glen H. Deitcher
Assistant State Treasurer
Office of the State Treasurer
535 Kansas Avenue
Topeka, Kansas 66603

Re: Bonds and Warrants--Registration By State Treasurer--
-Commission and Expressage

Synopsis: 1) State Treasurer is authorized to exact commissions
on bonds only per K.S.A. 10-505 and not on coupons.

2) State Treasurer may charge only for expressage ex-
penses actually incurred.

* * *

Dear Mr. Deitcher:

You request my opinion whether K.S.A. 10-505 authorizes the State Treasurer to assess a 1/8 of 1% commission on all municipal bond coupons which is charged in addition to the charge for the bonds registered in your office.

K.S.A. 10-505 provides:

"The state treasurer shall collect for receiving and disbursing such funds, for the uses of the state, a commission of one eighth of one percent but not to exceed the sum of one dollar and twenty-five cents (\$1.25), for each bond, together with all expressage,

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which shall be a charge against the county, township, school district or municipality, on account of which such commissioner accrued or such expenses were incurred." [Emphasis added.]

The above clearly manifests an intent by the legislature to authorize the State Treasurer a commission for each *bond* registered. However, a commission for a *coupon* is not expressly authorized.

The word "bond" as used in the above quoted statute generally refers to an obligation in writing which binds a signatory to pay a sum certain upon the happening of an event and carries a seal.¹ The term "coupon," however, is substantively different in form and effect; within the purview of Article 10, Kansas Statutes Annotated it denotes the instrument attached to a bond which evidences the interest payable on the instrument to which it is attached, but which is detachable for use by itself.²

The statute does not raise an inference that employment of the word *bond* was to encompass coupons as well. Had the legislature intended to authorize commissions for coupons, presumably it would have done so expressly. Accordingly, it is my opinion the state treasurer may exact only that commission allowed for bonds and not for coupons.

You also inquire whether the State Treasurer may compute expressage as authorized by K.S.A. 10-505 at current first class postage rates per \$1,000 paid in lieu of actual expenses. As the above quoted language reveals, all expressage may be charged for such expenses as are incurred by your office. This proviso directs the state treasurer to compute expressage upon actual expenses. As such it is my opinion that the treasurer is without authority

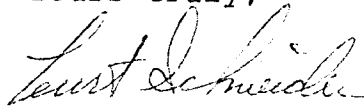
1. This definition applies throughout Article 10, Kansas Statutes Annotated. See, *Ballantine's Law Dictionary*, 146 (3d ed. 1969), and K.S.A. 10-102.

2. See, *Ballantine's Law Dictionary*, 281 (3d ed. 1969).

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to employ any other formula less than that which computes actual expenses incurred.

Yours truly,

A handwritten signature in cursive script, appearing to read "Curt T. Schneider".

CURT T. SCHNEIDER
Attorney General

CTS:JPS:kj