

HOUSE BILL No. 2152

By Committee on General Government Budget

1-30

1 AN ACT concerning the uniform land sales practices act; amending
2 K.S.A. ~~2012~~ 2013 Supp. 17-12a601 and repealing the existing section;
3 also repealing K.S.A. 58-3301, 58-3302, 58-3303, 58-3304, 58-3305,
4 58-3306, 58-3307, 58-3308, 58-3309, 58-3310, 58-3311, 58-3312, 58-
5 3313, 58-3315, 58-3316, 58-3317, 58-3318, 58-3319, 58-3320, 58-
6 3321, 58-3322 and 58-3323 and K.S.A. ~~2012~~ 2013 Supp. 58-3314.

7
8 *Be it enacted by the Legislature of the State of Kansas:*

9 Section 1. K.S.A. ~~2012~~ 2013 Supp. 17-12a601 is hereby amended to
10 read as follows: 17-12a601. (a) *Administration.* (1) This act shall be
11 administered by the securities commissioner of Kansas.

12 (2) All fees herein provided for shall be collected by the
13 administrator. All salaries and expenses necessarily incurred in the
14 administration of this act shall be paid from the securities act fee fund.

15 (3) The administrator shall remit all moneys received from all fees,
16 charges, deposits or penalties which have been collected under this act or
17 other laws of this state regulating the issuance, sale or disposal of
18 securities or regulating dealers in this state ~~or under the uniform land sales~~
19 ~~practices act~~, to the state treasurer at least monthly. Upon receipt of any
20 such remittance, the state treasurer shall deposit the entire amount thereof
21 in the state treasury. In accordance with K.S.A. 75-3170a, and
22 amendments thereto, 10% of each such deposit shall be credited to the
23 state general fund and, except as provided in subsection (d), the balance
24 shall be credited to the securities act fee fund.

25 (4) On the last day of each fiscal year, the director of accounts and
26 reports shall transfer from the securities act fee fund to the state general
27 fund any remaining unencumbered amount in the securities act fee fund
28 exceeding \$50,000 so that the beginning unencumbered balance in the
29 securities act fee fund on the first day of each fiscal year is \$50,000. All
30 expenditures from the securities act fee fund shall be made in accordance
31 with appropriation acts upon warrants of the director of accounts and
32 reports issued pursuant to vouchers approved by the administrator or by a
33 person or persons designated by the administrator.

34 (5) All amounts transferred from the securities act fee fund to the
35 state general fund under paragraph (4) are to reimburse the state general
36 fund for accounting, auditing, budgeting, legal, payroll, personnel and

1 purchasing services and any other governmental services which are
2 performed on behalf of the state agency involved by other state agencies
3 which receive appropriations from the state general fund to provide such
4 services.

5 (b) *Prohibited conduct.* (1) It is unlawful for the administrator or an
6 officer, employee, or designee of the administrator to use for personal
7 benefit or the benefit of others records or other information obtained by or
8 filed with the administrator that are not public under K.S.A. 17-12a607(b),
9 and amendments thereto. This act does not authorize the administrator or
10 an officer, employee, or designee of the administrator to disclose the
11 record or information, except in accordance with K.S.A. 17-12a602, 17-
12 12a607(c), or 17-12a608, and amendments thereto.

13 (2) Neither the administrator nor any employee of the administrator
14 shall be interested as an officer, director, or stockholder in securing any
15 authorization to sell securities under the provisions of this act.

16 (c) *No privilege or exemption created or diminished.* This act does
17 not create or diminish a privilege or exemption that exists at common law,
18 by statute or rule, or otherwise.

19 (d) *Investor education.* (1) The administrator may develop and
20 implement investor education initiatives to inform the public about
21 investing in securities, with particular emphasis on the prevention and
22 detection of securities fraud. In developing and implementing these
23 initiatives, the administrator may collaborate with public and nonprofit
24 organizations with an interest in investor education. The administrator may
25 accept a grant or donation from a person that is not affiliated with the
26 securities industry or from a nonprofit organization, regardless of whether
27 the organization is affiliated with the securities industry, to develop and
28 implement investor education initiatives. This subsection does not
29 authorize the administrator to require participation or monetary
30 contributions of a registrant in an investor education program.

31 (2) There is hereby established in the state treasury the investor
32 education fund. Such fund shall be administered by the administrator for
33 the purposes described in subsection (d)(1) and for the education of
34 registrants, including official hospitality. Moneys collected as civil
35 penalties under this act shall be credited to the investor education fund.
36 The administrator may also receive payments designated to be credited to
37 the investor education fund as a condition in settlements of cases arising
38 out of investigations or examinations. All expenditures from the investor
39 education fund shall be made in accordance with appropriation acts upon
40 warrants of the director of accounts and reports issued pursuant to
41 vouchers approved by the administrator or by a person or persons
42 designated by the administrator. Two years after the effective date of this
43 act, the administrator shall conduct a review and submit a report to the

1 governor and the legislature concerning the expenditures from the investor
2 education fund and the results achieved from the investor education
3 program.

4 Sec. 2. K.S.A. 58-3301, 58-3302, 58-3303, 58-3304, 58-3305, 58-
5 3306, 58-3307, 58-3308, 58-3309, 58-3310, 58-3311, 58-3312, 58-3313,
6 58-3315, 58-3316, 58-3317, 58-3318, 58-3319, 58-3320, 58-3321, 58-
7 3322 and 58-3323 and K.S.A. ~~2012~~ **2013** Supp. 17-12a601 and 58-3314
8 are hereby repealed.

9 Sec. 3. This act shall take effect and be in force from and after its
10 publication in the statute book.