

SENATE BILL No. 130

AN ACT concerning trust companies; relating to the powers thereof; amending K.S.A. 2000 Supp. 9-2103 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2000 Supp. 9-2103 is hereby amended to read as follows: 9-2103. (a) A trust company may exercise all powers necessary or incidental to carrying on a trust business, including, without limitation, all powers conferred upon a business corporation by the Kansas corporation code of 1972, and amendments thereto, and also may exercise the following powers:

~~(a)~~ (1) To receive for safekeeping personal property of every description;

~~(b)~~ (2) to accept and execute any trust agreement and perform any trustee duties as required by such trust agreement;

~~(c)~~ (3) to act as assignee, transfer agent, registrar or receiver;

~~(d)~~ (4) to accept and execute all trusts and to perform any fiduciary duties as may be committed or transferred to it by order, judgment or decree of any court of record of competent jurisdiction;

~~(e)~~ (5) to act as agent or attorney in fact in any agreed upon capacity;

~~(f)~~ (6) to act as executor or trustee under the last will and testament, or as administrator, with or without the will annexed to the letters of administration, of the estate of any deceased person;

~~(g)~~ (7) to be a conservator for any minor, incapacitated person or trustee for any convict under the appointment of any court of competent jurisdiction;

~~(h)~~ (8) if the trust company was organized and existing prior to 1930, to loan money upon real estate, chattel, collateral or personal security; to execute and issue its notes, bonds or debentures payable at a future date, and to pledge any of its securities not in excess of 105% of the amount of such notes, bonds or debentures thus issued, except that no holder of securities in excess of the amount provided herein shall acquire any title or claim to such excess; to buy and sell all kinds of government, state, county, municipal and corporation bonds, and all kinds of negotiable and nonnegotiable paper, securities, and stocks except that:

~~(1)~~ (A) The total investment of any such trust company in bank stock shall at no time exceed $\frac{1}{4}$ its paid-in capital; and

~~(2)~~ (B) no trust company shall loan money upon or become the purchaser of its own stock, unless such purchase shall be necessary in the collection of, or to prevent loss upon, a debt previously contracted in good faith, whereupon the trust company may become the purchaser at public or private sale, but any stock so purchased shall be disposed of within six months after such purchase and shall not be included as a part of the assets of such company after the expiration of six months from the date of purchase;

~~(3)~~ (9) to receive money in trust for investment in real or personal property of every kind and nature and to reinvest the proceeds thereof;

~~(4)~~ (10) to act in any fiduciary capacity and to perform any act as a fiduciary which a Kansas state bank may perform under any provision of the banking or insurance laws of this state, including, without limitation, acting as a successor fiduciary to any bank upon liquidation of its trust department through the transfer of its fiduciary assets pursuant to K.S.A. 9-1604, and amendments thereto, which liquidation may be effected in the manner provided in K.S.A. 9-2107, and amendments thereto, or otherwise;

~~(5)~~ (11) to act as either an originating trustee or as a contracting trustee pursuant to K.S.A. 9-2107, and amendments thereto;

~~(6)~~ (12) to exercise any other power expressly conferred upon trust companies by any other provision of the laws of this state;

~~(7)~~ (13) to buy and sell foreign or domestic exchange, gold, silver, coin or bullion; and

~~(8)~~ (14) pursuant to K.S.A. 9-1713, and amendments thereto, the state bank commissioner may adopt rules and regulations clarifying any of the above enumerated powers and duties extended to trust companies.

(b) *A trust company may be formed for a limited purpose to exercise any one or more of the enumerated powers in subsection (a). The articles of incorporation of such a trust company shall contain a list of the specific powers that the trust company chooses and is authorized to exercise.*

Sec. 2. K.S.A. 2000 Supp. 9-2103 is hereby repealed.

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

I hereby certify that the above BILL originated in the SENATE, and passed that body

President of the Senate.

Secretary of the Senate.

Passed the HOUSE _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.