

SENATE BILL No. 525

By Committee on Financial Institutions and Insurance

2-6

AN ACT concerning the Kansas mortgage business act; relating to exemptions; amending K.S.A. 9-2202 and repealing the existing section.

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

Section 1. K.S.A. 9-2202 is hereby amended to read as follows: 9-2202. The following are exempt from the licensing requirements of this act:

(a) Any bank, savings bank, trust company, savings and loan association, building and loan association, industrial loan company or credit union organized, chartered or authorized under the laws of the United States or of any state which is authorized to make loans and to receive deposits;

(b) any entity directly or indirectly regulated by an agency of the United States or of any state which is a subsidiary or affiliate of any entity listed in subsection (a) if 25% or more of such entity's common stock is owned by any entity listed in subsection (a);

(c) any person who is registered as a loan broker pursuant to K.S.A. 50-1001 et seq., and amendments thereto, or who is licensed as a supervised lender pursuant to K.S.A. 16a-2-301 et seq., and amendments thereto;

(d) the United States of America, the state of Kansas, any other state, or any agency or instrumentality of any governmental entity; ~~and~~

(e) any individual who with their own funds for their own investment makes a purchase money mortgage or finances the sale of their own property, except that any person who enters into more than five such investments or sales in any twelve-month period shall be subject to all provisions of this act; *and*

(f) *an insurance agent as defined in K.S.A. 40-239, and amendments thereto, if the insurance agent acts on behalf of only one licensee or exempt entity and has entered into a written contract under the terms of which the licensee or exempt entity agrees to accept responsibility for all mortgage business conducted on behalf of such licensee or entity by the insurance agent. The commissioner may institute appropriate regulatory proceedings against the licensee or exempt entity for the conduct of an insurance agent that violates this act.*

Sec. 2. K.S.A. 9-2202 is hereby repealed.

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