

HOUSE BILL No. 2105

By Committee on Corrections and Juvenile Justice

1-23

1 AN ACT concerning money laundering; enacting the Kansas
2 comprehensive money laundering act.

3
4 *Be it enacted by the Legislature of the State of Kansas:*

5 Section 1. (a) Sections 1 through 3, and amendments thereto, shall be
6 known and may be cited as the Kansas comprehensive money laundering
7 act.

8 (b) As used in the Kansas comprehensive money laundering act:

9 (1) "Conduct" or "conducts" includes, but is not limited to, initiating,
10 concluding, participating in or assisting in a financial transaction;

11 (2) "financial transaction" means any purchase, sale, trade, loan,
12 pledge, investment, gift, transfer, transmission, transportation, delivery,
13 deposit, withdrawal, payment, transfer between accounts, exchange of
14 currency, extension of credit, purchase or sale of monetary instruments,
15 use of a safe-deposit box or any other acquisition or disposition of
16 monetary instruments by any means including the movement of funds by
17 wire or other electronic means, which is knowingly designed in whole or
18 in part to conceal or disguise the nature, location, source, ownership or
19 control of the property involved in the transaction;

20 (3) "monetary instrument" means:

21 (A) Coin or currency of the United States or of any other country,
22 travelers' checks, personal checks, bank checks, cashier's checks, credit
23 cards, debit cards and money orders; and

24 (B) securities or other negotiable instruments in bearer form or
25 otherwise;

26 (4) "person" includes an individual, trust, partnership, association,
27 corporation, firm, joint venture or other business entity;

28 (5) "proceeds" means property acquired or derived, directly or
29 indirectly, from, produced through, realized through or caused by an act or
30 omission and includes property, real or personal, of any kind; and

31 (6) "property" means anything of value and includes any interest
32 therein, including any benefit, privilege, claim or right with respect to
33 anything of value, whether real or personal, tangible or intangible.

34 Sec. 2. (a) It shall be unlawful for any person to knowingly conduct a
35 financial transaction where the person knows the property involved in the
36 transaction represents the proceeds of an activity which is punishable as a

1 felony under the laws of the state of Kansas, another state or territory of
2 the United States, the District of Columbia or the United States. A
3 violation of this section shall be a severity level 5, nonperson felony.

4 (b) Any person who, for compensation, converts cash into negotiable
5 instruments or electronic funds for another, knowing the cash is proceeds
6 of some form of activity that is a felony under the laws of the state of
7 Kansas, another state or territory of the United States, the District of
8 Columbia or the United States shall be guilty of:

9 (1) A class A nonperson misdemeanor except as provided in
10 subsection (b)(2); and

11 (2) a severity level 6, nonperson felony upon a second or subsequent
12 conviction.

13 (c) An employee of a depository institution, as defined in K.S.A. 9-
14 701(w), and amendments thereto, shall not be prosecuted pursuant to the
15 Kansas comprehensive money laundering act for participating in a good
16 faith transaction in the depository institution's normal course of business,
17 so long as the property involved in the transaction is the proceeds of an
18 activity that is legal in the state where it occurs.

19 Sec. 3. Any person holding a license or registration to operate any
20 business as required by state or local law shall forfeit such license or
21 registration upon conviction of a violation of the Kansas comprehensive
22 money laundering act. Upon conviction, the prosecuting agency shall
23 notify any appropriate agency of the forfeiture.

24 Sec. 4. This act shall take effect and be in force from and after its
25 publication in the statute book.