

2018 Kansas Statutes

50-1122. Same; registrant's duties regarding certain funds paid to licensee. (a) Within four calendar days after receipt of any funds paid to the licensee by or on behalf of a consumer for disbursement to such consumer's creditors, a licensee shall deposit such funds in a trust account established for the benefit of consumers.

(b) A licensee shall:

(1) Maintain separate records of account for each consumer to whom the licensee provides debt management services;

(2) disburse any funds paid by or on behalf of a consumer to such consumer's creditors within 20 calendar days after receipt of such funds or the latest date before the consumer would incur any fee, charge or penalty due to delay in payment;

(3) correct any misdirected payments resulting from an error by the licensee;

(4) reimburse the consumer for any actual fees or other charges imposed by a creditor as a result of the misdirection; and

(5) disburse a consumer's funds from the trust account only to such consumer's creditors or back to the consumer.

(c) If a consumer rescinds the debt management services agreement, all funds held in the trust account on behalf of such consumer shall be refunded to the consumer within 10 calendar days from receipt of rescission by the licensee.

(d) A licensee shall not commingle any trust account established for the benefit of consumers with any operating accounts of the licensee.

History: L. 2004, ch. 22, § 7; L. 2017, ch. 52, § 18; July 1.