

2023 Kansas Statutes

17-12a601. Administration of act; prohibited conduct; remittance of fees; securities act fee fund; investor education and protection; investor education and protection fund. (a)

Administration. (1) This act shall be administered by the securities commissioner of Kansas.

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

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

(4) All expenditures from the securities act fee fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the administrator or by a person or persons designated by the administrator.

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

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

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

(d) Investor education and protection. (1) The administrator may develop and implement investor education and protection initiatives to inform the public about investing in securities and protect the public from violations of the Kansas uniform securities act, K.S.A. 17-12a101 et seq., and amendments thereto. Such initiatives shall have a particular emphasis on the prevention, detection, enforcement and prosecution of securities fraud. In developing and implementing these initiatives, the administrator may collaborate with public and nonprofit organizations with an interest in investor education or protection. The administrator may accept a grant or donation from a person that is not affiliated with the securities industry or from a nonprofit organization, regardless of whether the organization is affiliated with the securities industry, to develop and implement investor education and protection initiatives. This subsection does not authorize the administrator to require participation or monetary contributions of a registrant in an investor education program.

(2) There is hereby established in the state treasury the investor education and protection fund. Such fund shall be administered by the administrator for the purposes described in subsection (d)(1) and for the education of registrants, including official hospitality. Moneys collected as civil penalties under this act shall be credited to the investor education and protection fund. The administrator may also receive payments designated to be credited to the investor education and protection fund as a condition in settlements of cases arising out of investigations or examinations. All expenditures from the investor education and protection fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the administrator or by a person or persons designated by the administrator.

History: L. 2004, ch. 154, § 40; L. 2011, ch. 53, § 6; L. 2014, ch. 99, § 2; L. 2015, ch. 70, § 3; L. 2021, ch. 116, § 64; L. 2022, ch. 11, § 1; April 7.