

16a-2-303. (UCCC) Denial, revocation or suspension of license; disciplinary proceedings. (1) The administrator may deny, revoke or suspend the license of a supervised lender if the administrator finds that:

(a) The applicant or licensee has repeatedly or willfully violated the provisions of K.S.A. 16a-1-101 through 16a-9-102, and amendments thereto, or any rule and regulation, order or administrative interpretation lawfully made pursuant to such sections of this act;

(b) the applicant or licensee has failed to file and maintain the surety bond or net worth required in K.S.A. 16a-2-302, and amendments thereto;

(c) the applicant or licensee is insolvent;

(d) the applicant or licensee has filed with the administrator any document or statement falsely representing or omitting a material fact;

(e) the applicant, licensee, members thereof if a copartnership or association, or officers and directors thereof if a corporation have been convicted of a felony crime or any crime involving fraud, dishonesty or deceit or the applicant or licensee knowingly or repeatedly contracts with or employs persons to directly engage in lending activities who have been convicted of a felony crime or any crime involving fraud, dishonesty or deceit;

(f) the applicant or licensee fails to keep and maintain sufficient records to permit an audit satisfactorily disclosing to the administrator the applicant or licensee's compliance with the provision of this act;

(g) the applicant or licensee has been the subject of any disciplinary action by this or any other state or federal agency;

(h) a final judgment has been entered against the applicant or licensee in a civil action and the administrator finds the conduct on which the judgment is based indicates that it would be contrary to the public interest to permit such person to be licensed;

(i) the applicant or licensee has engaged in deceptive business practices; or

(j) facts or conditions exist which would clearly have justified the administrator in refusing to grant a license had these facts or conditions been known to exist at the time the application for the license was made.

(2) Any person holding a license to make supervised loans may surrender the license by notifying the administrator in writing of its surrender, but this surrender shall not affect such person's liability for acts previously committed.

(3) No revocation, suspension, or relinquishment of a license shall impair or affect the obligation of any preexisting lawful contract between the licensee and any debtor.

(4) None of the following actions shall deprive the administrator of any jurisdiction or right to institute or proceed with any disciplinary proceeding against such licensee, to render a decision suspending, revoking or refusing to renew such license, or to establish and make a record of the facts of any violation of law for any lawful purpose:

(a) The imposition of an administrative penalty under this section;

(b) the lapse or suspension of any license issued under this act by operation of law;

(c) the licensee's failure to renew any license issued under this act; or

(d) the licensee's voluntary surrender of any license issued under this act.

(5) The administrator may reinstate a license, terminate a suspension, or grant a new license to a person whose license has been revoked or suspended if no fact or condition then exists which clearly would have justified the administrator in refusing to grant a license.

History: L. 1973, ch. 85, § 20; L. 1988, ch. 356, § 47; L. 1999, ch. 107, § 13; L. 2005, ch. 144, § 10; L. 2009, ch. 29, § 18; July 1.