

State of Kansas

Office of the State Bank Commissioner

Notice of Hearing on Proposed Administrative Regulations

A public hearing will be conducted at 1:00 p.m. Monday, June 8, 2026, in the Bank Commissioner's Astra Board Room of the Jayhawk Tower Building, 700 SW Jackson, Fourth Floor, Topeka, KS 66603, to consider the proposed permanent amendments to Kansas Administrative Regulations 17-24-1, 17-24-6 and 17-24-7.

This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written public comments on the proposed amended and revoked regulations. All interested parties may submit written comments prior to the hearing by mailing them to the Office of the State Bank Commissioner, 700 SW Jackson, Suite 300, Topeka, KS 66603-3796 or by email to Brock.Roehler@osbckansas.org. During the public hearing, all interested parties will be given a reasonable opportunity to present their views orally or in writing regarding the proposed changes to K.A.R. 17-24-1, K.A.R. 17-24-6 and K.A.R. 17-24-7. In order to provide all parties an opportunity to present their views, it may be necessary to request that each participant limit any oral presentation.

Copies of the proposed regulations and the economic impact statements may be obtained from the Office of the State Bank Commissioner by contacting Brock Roehler at 785-379-3890, Brock.Roehler@osbckansas.org, or at the mailing address given above. TTY calls may be made by contacting the Kansas Relay Center at 1-800-766-3777.

Any individual with a disability may request an accommodation in order to participate in the public hearing and may request the proposed and revoked regulations and economic impact statements in an accessible format. Requests for accommodation to participate in the hearing should be made at least five working days in advance of the hearing by contacting Brock Roehler at the Office of the State Bank Commissioner. The west entrance to the Jayhawk Tower Building is accessible and there is one accessible parking spot at 720 SW Jackson. There is additional accessible parking on the northwest corner of Jackson and 8th Street.

Copies of the proposed regulations can be viewed at the Office of the State Bank Commissioner's website at <http://www.osbckansas.gov>. A summary of the proposed amended and revoked regulations and each regulation economic impact follows:

K.A.R. 17-24-1 is an administrative regulation promulgated by the Office of the State Bank Commissioner requiring licensees to obtain a signed acknowledgement from the consumer. This regulation is being amended to remove the licensee's requirement to obtain a signed acknowledgement and to replace it with a requirement to provide a disclosure to the consumer. The amended regulation will also require the mortgage company to state that the consumer may review the mortgage company's record and history at the Nationwide Multistate Licensing System and Registry.

K.A.R. 17-24-1 Economic Impact: This regulation is expected to have a negligible economic impact. Any mortgage company or loan officer who originates or closes any mortgage loan in the state of Kansas with Kansas consumers would be affected. Mortgage companies will need to review their consumer notices and update them accordingly to ensure they are following the new notice requirements. The mortgage company will have a one-time review of their notice, but the removal of the requirement to obtain a consumer signature will mean that the changes to this regulation will lessen the compliance review process going forward.

K.A.R. 17-24-6 is an administrative regulation promulgated by the Office of the State Bank Commissioner requiring applicants of a mortgage company license or renewal to obtain and submit evidence of a surety

bond, the amount of which was determined by the location of the mortgage company or the dollar volume of loans originated in a previous calendar year. This regulation is being amended to match K.A.R. 75-6-31, a regulation under the Uniform Consumer Credit Code applicable to supervised lenders. Like the changes in K.A.R. 75-6-31, K.A.R. 17-24-6 will streamline the mortgage company bonding requirement. Each mortgage company applicant and licensee shall maintain a minimum of a \$100,000.00 surety bond as of January 1 of each calendar year. This regulation will remove the requirement for a higher surety bond for anyone that originated more than 50 million in Kansas mortgage loans in the last year and the lower surety bond requirements for in-state mortgage companies. The commissioner, under special circumstances, will be authorized to increase the bond requirement to \$1,000,000.00. The criteria used in determining whether an increased bond is required include whether or not the applicant or licensee's business involves technology or methods that may require additional regulatory oversight, prior regulatory or disciplinary actions by the Office of the State Bank Commissioner or any regulatory body of the State of Kansas or any other state or federal regulatory body, and whether or not the business structure or activities of the operation possess elements of risk that may require additional regulatory oversight. This is a new requirement to K.A.R. 17-24-6 but has existed under K.S.A. 75-6-31 for over 20 years.

K.A.R. 17-24-6 Economic Impact: This regulation is expected to have an overall reduced economic impact. Mortgage and surety bond companies will be affected by this proposed regulation. Mortgage companies will need to review their existing bond coverages and if necessary, increase or decrease their coverages to meet the requirements set forth by this regulation. It is expected that the decrease in surety bond premiums for out-of-state mortgage companies will outweigh the increase in surety bond premiums for in-state mortgage companies.

K.A.R. 17-24-7 is an administrative regulation promulgated by the Office of the State Bank Commissioner and addresses additional charges that may be charged to a consumer in a covered mortgage transaction. The proposed amendment supplements K.S.A. 2025 Supp. 9-2229 by requiring that certain conditions be met in order for the charges to be deemed allowable. The mortgage loans that apply to K.S.A. 9-2229(a)(3) and this regulation were formerly covered under K.S.A. 16a-2-501 and K.A.R. 75-6-9. K.A.R. 17-24-7 is a new regulation that will match the changes made to K.A.R. 75-6-9.

K.A.R. 17-24-7 Economic Impact: This regulation is expected to have a negligible economic impact. Any bank, credit union, or mortgage company who originates or closes any mortgage loan in the state of Kansas with Kansas consumers will be affected. This regulation is provided for clarity in confirming what additional charges may be assessed and will return to the same restrictions that applied under K.A.R. 75-6-9.

David Herndon
Bank Commissioner
State of Kansas

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