

State of Kansas

Office of the State Bank Commissioner Consumer and Mortgage Lending Division

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 75-6-9, 75-6-31, 75-6-32, 75-6-36, 75-6-37 and 75-6-38 which interpret the Uniform Consumer Credit Code ("UCCC").

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 and revised 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. 75-6-9, K.A.R. 75-6-31, K.A.R. 75-6-32, K.A.R. 75-6-36, K.A.R. 75-6-37 and K.A.R. 75-6-38. 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 revised 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 and revised regulations and each proposed regulation's economic impact follows:

K.A.R. 75-6-9 is an administrative regulation promulgated by the Office of the State Bank Commissioner and addresses additional charges that may be charged under the UCCC to consumers in non-mortgage consumer credit transactions. A similar regulation under the Kansas Mortgage Business Act ("KMBA") and pertaining to mortgage additional charges is concurrently being proposed by the Office of the State Bank Commissioner as a new regulation, K.A.R. 17-24-7. Statutory citations have been updated in this regulation. Subsection (c) was amended to remove a definition within a definition.

K.A.R. 75-6-9 Economic Impact: This regulation is being updated to reflect new statutory citations and is updated for new grammatical styles. Since there are no substantive changes, there is no economic impact.

K.A.R. 75-6-31 is an administrative regulation promulgated by the Office of the State Bank Commissioner requiring applicants of a supervised lender license or renewal to obtain and retain evidence of a surety bond. This regulation removes the bonding requirement for loans secured by an interest in real property as those

statutes have been repealed and replaced with new statutes under the KMBA. This regulation update also sets a limit of 1 million upon the administrator when the administrator may require a higher surety bond amount. The criteria used in determining whether an increased bond is required remains the same.

K.A.R. 75-6-31 Economic Impact: This regulation is expected to have no economic impact. There are no entities engaged in making loans secured by interest in real property at this time. Furthermore, the administrator has never set a surety bond over 1 million under the UCCC, so the limitation is not expected to cause any savings.

K.A.R. 75-6-32 is an administrative regulation promulgated by the Office of the State Bank Commissioner requiring consumer credit filers to file notice with the administrator within a certain time frame when commencing business in Kansas and each year thereafter. The regulation is being amended to reflect the new terminology in the statute by changing “notification” to “consumer credit filings” and to change the filing due date of each year from April 30 to August 31.

K.A.R. 75-6-32 Economic Impact: This proposed amendment is expected to have no economic impact. People engaged in consumer credit that are not licensed as supervised lenders will be affected by this proposed regulation. Consumer credit filers may still file notice on April 1 of each year and would still be compliant with the current regulation.

K.A.R. 75-6-36 and K.A.R. 75-6-37 are administrative regulations promulgated by the Office of the State Bank Commissioner. Both regulations pertain to mortgages and both are being revoked because mortgages were removed from the UCCC and transferred to the KMBA. The KMBA has duplicate regulations at K.A.R. 17-24-5 and 17-24-6.

K.A.R. 75-6-36 and K.A.R. 75-6-37 Economic Impact: There is no economic impact. Both regulations are being repealed as they are no longer necessary and do not interpret an existing statute. No consumer or business will be affected.

K.A.R. 75-6-38 is an administrative regulation promulgated by the Office of the State Bank Commissioner and pertains to record retention requirements in a consumer credit transaction. K.A.R. 75-6-38 is being amended for several reasons. All mortgage provisions in the UCCC were repealed and replaced with new statutes in the KMBA at K.S.A. 9-2201 et. seq, effective January 1, 2025. Mortgage specific requirements currently in (b) have been removed. Subsections (a) and (c) apply to all supervised lenders and consumer credit filers regardless of what activity is being conducted. This regulation is now being split into 4 categories to specifically apply to each type of loan activity that is being conducted. Subsection (c) will apply to everyone. Subsection (a) will only apply to supervised lenders and consumer credit providers that originate consumer credit transactions. Subsection (b) will only apply to supervised lenders and consumer credit providers that undertake collection of payments. A new subsection (d) will apply to supervised lenders and consumer credit providers that collect on defaulted debt.

K.A.R. 75-6-38 Economic Impact: The proposed amendments are expected to have a reduced economic impact. The current regulation requires every licensee and consumer credit filer to retain all documents, some of which are not necessary to review as part of an examination. This proposed regulation outlines the specific documents that are required to be retained for each activity. Supervised lenders, consumer credit filers and document retention companies will be affected. It is expected that compliance costs will decrease for each supervised lender and consumer credit filer as there is less documentation required for certain transactions. It is anticipated that supervised lenders and consumer credit filers will find it easier to buy and sell consumer credit transactions due to the reduction in document retention requirements. No cost to the consumer is expected.

James M. Payne
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State of Kansas