

2018 Kansas Statutes

50-1126. Same; fees charged by licensee; when allowed. (a) No licensee shall impose any fees or other charges on a consumer, or receive any funds or other payments from a consumer or another person on behalf of a consumer:

(1) Except as provided in subsection (b)(5), until after the licensee and consumer have executed a debt management services agreement; and

(2) except as allowed under this section, or as permitted by rule and regulation adopted by the commissioner.

(b) A licensee may:

(1) Charge a one-time consultation fee not exceeding \$75. The cost of a credit report on a consumer shall be paid from the consultation fee paid by the consumer;

(2) charge and collect monthly the lesser of a total maintenance fee of \$40 per month, or \$5 per month for each creditor of a consumer that is listed in the debt management services agreement between the licensee and the consumer;

(3) collect from or on behalf of a consumer the funds for disbursement to creditors that the consumer has agreed to pay to the licensee under the debt management services agreement;

(4) accept a voluntary contribution from a consumer for a debt management service provided by the licensee to the consumer if the aggregate amount of the voluntary contribution and any other fees received by the licensee from the consumer does not exceed the total amount the licensee is authorized to charge the consumer under paragraphs (1) and (2) of this subsection;

(5) charge the consumer a reasonable fee for providing reverse mortgage counseling, bankruptcy counseling, student loan counseling, other counseling services authorized by the commissioner, an educational program, or materials and supplies;

(6) accept fee payments from a consumer's creditors for debt management services rendered to a consumer, provided the consumer's creditor does not assess the fee to the consumer;

(7) charge the consumer up to \$30 one time for each insufficient payment; and

(8) charge the consumer up to \$5 to process a payment made by the consumer to the credit services organization through electronic means, if authorized by the consumer. No charge shall be assessed where the consumer has agreed to make all scheduled payments by electronic means.

(c) A licensee may waive any of the fees permitted in subsections (b)(1) through (b)(8) if the licensee determines that the consumer is unable to pay the fees.

(d) No licensee shall:

(1) Charge an additional fee to a consumer, if the consumer enters into a debt management services agreement with the licensee, to:

(A) Prepare a financial analysis or an initial budget plan for the consumer;

(B) counsel a consumer about debt management;

(C) provide a consumer with the consumer education program described in the licensee's application to engage in business as a credit services organization; or

(D) rescind a debt management services agreement.

(2) Require a voluntary contribution from a consumer for any service provided by the licensee to the consumer.

(3) As a condition of entering into a debt management services agreement, require a consumer to purchase for a fee a counseling session, an educational program or materials and supplies.

(e) If a licensee imposes any fee or other charge or receives any funds or other payments not authorized under this section, except as a result of an accidental and bona fide error:

(1) The debt management services agreement shall be void; and

(2) the licensee shall return the amount of the unauthorized fees, charges, funds or payments to the consumer.

History: L. 2004, ch. 22, § 11; L. 2017, ch. 52, § 22; July 1.