

2023 Kansas Statutes

9-2309. Maintaining suitable office space; requirements; staffing; maintenance of records. (a) A fiduciary financial institution shall:

(1) Maintain suitable office space in an economic growth zone, as defined in K.S.A. 9-2301, and amendments thereto, for fidfin transactions, custodial services and trust business and for the storage of, and access to, fiduciary financial institution records;

(2) employ, engage or contract with at least three employees to provide services for the fiduciary financial institution in Kansas related to the powers of the fiduciary financial institution and to facilitate the examinations required by this act; and

(3) perform fidfin transactions, custodial services and trust business in Kansas, and a fiduciary financial institution may also engage in fidfin transactions, custodial services and trust business in other states to the extent permitted by applicable law.

(b) As used in this section, the term "suitable office space" means at least 2,000 square feet of class A office space located in an economic growth zone selected by the fiduciary financial institution that the fiduciary financial institution utilizes as such fiduciary financial institution's principal office.

(c) The fiduciary financial institution's principal office shall:

(1) Be in premises distinct and divided from the office space of any other entity;

(2) be located in an economic growth zone selected by the fiduciary financial institution;

(3) have the name, charter and certificate of authority of the fiduciary financial institution prominently displayed;

(4) have access to premises in or adjacent to the office space sufficient to facilitate on-site examinations by the state banking board or commissioner;

(5) to the extent the fiduciary financial institution maintains hard copies of any documents required to be maintained under this chapter, have a secure fireproof file cabinet that contains all such hard copies; and

(6) to the extent the fiduciary financial institution maintains any record electronically, have a secure computer terminal or other secure electronic device that provides access to such records, including account information, as necessary to facilitate an efficient and effective examination.

(d) Fidfin transactions, custodial services and trust business is deemed to have been performed in Kansas for purposes of this section if fidfin transaction or custodial service agreements are approved or signed in this state on behalf of the fiduciary financial institution and at least three of the following acts are performed by a technology platform wholly or partly operated in this state:

(1) Annual account reviews;

(2) annual investment reviews;

(3) trust or custodial accounting;

(4) account correspondence;

(5) reviewing and signing trust account or custodial account tax returns; or

(6) distributing account statements.

History: L. 2021, ch. 80, § 9; July 1.