HB 2106 makes several amendments to the Kansas Uniform Securities Act (Act). The first amendment, concerning exemptions from securities registration requirements, states nothing in the statutory section governing denial, suspension of the application of, condition, limit, or revocation of an exemption should be construed to exempt a person from the relevant anti-fraud provisions, nor should any existing exemption be construed to provide relief from any other provision of the Act if the sale of the security violates the provisions of the anti-fraud statute.

Further, the bill amends the law governing criminal penalties of the Act, which often are based on the amount lost as a result of the violation. The bill clarifies that when amounts are obtained in violation of the Act under one scheme or continuing course of business, whether from the same or several sources, the conduct can be considered one continuing offense and the amounts aggregated in determining the grade of the offense.

If a crime under the Act is a continuing offense, the bill specifies the statute of limitations does not begin to run until the last act in the scheme or course of business is completed. The bill states this does not prevent the exclusion of a time period as had been provided by statute.

The bill also adds a section to the Kansas Code of Criminal Procedure to allow business records obtained pursuant to the investigative authority of the Office of the Securities Commissioner to be admissible in evidence at any preliminary examination in the same manner and with the same force and effect as if the individuals who made the record and the record custodian who keeps the record had testified in person.