

2012 Kansas Statutes

50-1122. Same; registrant's duties regarding certain funds paid to registrant. (a) Within four calendar days after receipt of any funds paid to the registrant by or on behalf of a consumer for disbursement to such consumer's creditors, a registrant shall deposit such funds in a trust account established for the benefit of consumers.

(b) A registrant shall:

(1) Maintain separate records of account for each consumer to whom the registrant provides debt management services;

(2) disburse any funds paid by or on behalf of a consumer to such consumer's creditors within 10 calendar days after receipt of such funds;

(3) correct any misdirected payments resulting from an error by the registrant;

(4) reimburse the consumer for any actual fees or other charges imposed by a creditor as a result of the misdirection; and

(5) disburse a consumer's funds from the trust account only to such consumer's creditors or back to the consumer.

(c) If a consumer rescinds the debt management services agreement, all funds held in the trust account on behalf of such consumer shall be refunded to the consumer within 10 calendar days from receipt of rescission by the registrant.

(d) A registrant shall not commingle any trust account established for the benefit of consumers with any operating accounts of the registrant or its related interests.

History: L. 2004, ch. 22, § 7; July 1.