

9-701. Definitions. Unless otherwise clearly indicated by the context, the following words when used in the state banking code, for the purposes of the state banking code, shall have the meanings respectively ascribed to them in this section:

- (a) "Bank" means a state bank incorporated under the laws of Kansas.
- (b) "Business of banking" means receiving or accepting money on deposit, and may include the performance of related activities that are not exclusive to banks, including paying drafts or checks, lending money or any other activity authorized by applicable law. "Business of banking" shall not include any activity conducted by a student bank.
- (c) "Trust company" means a trust company incorporated under the laws of Kansas and which does not accept deposits.
- (d) "Commissioner" means the Kansas state bank commissioner.
- (e) "Executive officer" means a person who participates or has authority to participate, other than in the capacity of a director, in major policymaking functions of the bank or trust company, whether or not the officer has an official title, the title designates the officer as an assistant or the officer is serving without salary or other compensation. The chairperson of the board, the president, every vice president, the cashier, the secretary and the treasurer of a company or bank are considered executive officers.
 - (1) A bank may, by resolution of the board of directors or by the bylaws of the bank or trust company, exempt an officer from participation, other than in the capacity of a director, in major policymaking functions of the bank or trust company if the officer does not actually participate therein.
 - (2) The commissioner may make the determination that a person is an executive officer if the commissioner determines that the criteria are met despite the existence of a resolution allowed pursuant to this subsection.
- (f) "Demand deposit" means a deposit that:
 - (A) Is payable on demand;
 - (B) is issued with an original maturity or required notice period of less than seven days;
 - (C) represents funds for which the depository institution does not reserve the right to require at least seven days' written notice of an intended withdrawal; or
 - (D) represents funds for which the depository institution does reserve the right to require at least seven days' written notice of an intended withdrawal; and
- (2) is not also a negotiable order of withdraw account.
- (3) "Demand deposit" does not include "time deposits" or "savings deposits" as defined in this section.
- (g) "Time deposit," also known as a certificate of deposit, means a deposit that the depositor does not have a right and is not permitted to make withdrawals from within six days after the date of deposit unless the deposit is subject to an early withdrawal penalty of at least seven days' simple interest on amounts withdrawn within the first six days after deposit. A time deposit from which partial early withdrawals are permitted must impose additional early withdrawal penalties for at least seven days' simple interest on amounts withdrawn within six days after each partial withdrawal. If such additional early withdrawal penalties are not contractually imposed, the account ceases to be a time deposit, but may become a savings deposit if the account meets the requirements for a savings deposit.
- (h) "Savings deposit" means a deposit or account with respect to which the depositor is not required by the deposit contract, but may at any time, be required by the depository institution to give written notice of an intended withdrawal not less than seven days before such withdrawal is made and that is not payable on a specified date or at the expiration of a specified time after the date of deposit.
- (i) "Public moneys" means all moneys coming into the custody of the United States government or any board, commission or agency thereof, and also shall mean all moneys coming into the custody of any officer of any municipal or quasi-municipal or public corporation, the state or any political subdivision thereof, pursuant to any provision of law authorizing any such official to collect or receive the same.
- (j) "Municipal corporation" means any city incorporated under the laws of Kansas.
- (k) "Quasi-municipal corporation" means any county, township, school district, drainage district, rural water district or any other governmental subdivision in the state of Kansas having authority to receive or hold moneys or funds.
- (l) "Certificate of authority" means a certificate signed and sealed by the commissioner evidencing the authority of a bank or trust company to transact a general banking or trust business as provided by law.
- (m) "Trust business" means engaging in, or holding out to the public as willing to engage in, the business of acting as a fiduciary for hire, except that no accountant, attorney, credit union, insurance broker, insurance company, investment adviser, real estate broker or sales agent, savings and loan association, savings bank, securities broker or dealer, real estate title insurance company or real estate escrow company shall be deemed to be engaged in a trust company business with respect to fiduciary services customarily performed by those persons or entities for compensation as a traditional incident to their regular business activities.
- (n) "Community and economic development entity" means an entity that makes investments or conducts activities that primarily benefit low-income and moderate-income individuals, low-income and moderate-income areas, or other areas targeted by a governmental entity for redevelopment, or would receive consideration as "qualified investments" under the community reinvestment act pub. L. 95-128, title VIII, 91 stat. 1147, 12 U.S.C. § 2901 et seq., and any state tax credit equity fund established pursuant to K.S.A. 74-8904, and amendments thereto.
- (o) "Depository institution" means any state bank, national banking association, state savings and loan or federal savings association, without regard to the state where the institution is chartered or the state in which the institution's main office is located.
- (p) "Student bank" means any nonprofit program offered by a high school accredited by the state board of education, where deposits are received, checks are paid or money is lent for limited in-school purposes.

History: L. 1947, ch. 102, § 1; L. 1970, ch. 61, § 1; L. 1975, ch. 45, § 1; L. 1976, ch. 54, § 1; L. 1981, ch. 49, § 1; L. 1983, ch. 46, § 1; L. 1987, ch. 54, § 1; L. 1989, ch. 48, § 11; L. 1993, ch. 31, § 1; L. 1994, ch. 202, § 2; L. 1995, ch. 79, § 13; L. 1995, ch. 250, § 1; L. 2015, ch. 38, § 22; L. 2016, ch. 54, § 3; July 1.