

**286.4-610 Commissioner's power to issue administrative regulations and examine licensees -- Investigations -- Enforcement of subpoena -- Powers of commissioner.**

- (1) The provisions of this subtitle shall be enforced by the commissioner, who may promulgate administrative regulations in accordance with KRS Chapter 13A for the proper conduct of the business licensed under this subtitle. All regulations of general application shall state the date of promulgation and the effective date. A copy of every regulation shall be sent to all licensees before the effective date thereof and a copy shall be kept in an indexed permanent book in the office of the commissioner as a public record.
- (2)
  - (a) The commissioner shall examine the affairs, business, office, and records of every licensee at least once during every twenty-four (24) month period, but not more frequently than once during every twelve (12) month period. Every licensee shall pay a reasonable fee sufficient to cover the cost of each routine examination based upon fair compensation for time and actual expenses.
  - (b) The commissioner may also conduct investigations of licensees or persons within or outside of the state as the commissioner deems necessary to discover violations of this subtitle or to secure information necessary for its proper enforcement.
  - (c) For the purpose of making examinations or investigations under this section, the commissioner and his or her representatives:
    1. May:
      - a. Compel the attendance of any person or obtain any documents by subpoenas;
      - b. Administer oaths and affirmations; and
      - c. Examine under oath or affirmation all persons whose testimony he or she may require, relative to the loans or business of the licensee; and
    2. Shall have free access to the accounts, papers, records, files, safes, vaults, offices, and places of business used in connection with any business conducted under any license issued in accordance with this subtitle.
- (3)
  - (a) The commissioner may investigate any person who is or appears to be engaging in the business regulated by this subtitle without first securing a license.
  - (b) For the purpose of investigations of unlicensed persons, the commissioner or his or her representative may:
    1. Compel the attendance of any person or obtain any documents by subpoenas;
    2. Administer oaths and affirmations; and
    3. Examine under oath or affirmation all persons whose testimony he or she may require, relative to the loans or business of the person.

- (4) If any person fails to comply with a subpoena issued by the commissioner under this section, the commissioner may petition the Franklin Circuit Court or any court of competent jurisdiction for enforcement of the subpoena.
- (5) In order to carry out the purposes of this subtitle, the commissioner may:
  - (a) Retain examiners, auditors, investigators, attorneys, accountants, or other professionals and specialists to conduct or assist in the conduct of any examination, investigation, or enforcement action; and
  - (b) Use, hire, contract, or employ public or private analytical systems, methods, or software.
- (6) The authority of this section shall remain in effect whether a person acts or claims to act under any licensing law of this subtitle or acts or claims to act without such authority.

**Effective:** June 27, 2019

**History:** Amended 2019 Ky. Acts ch. 120, sec. 13, effective June 27, 2019. -- Amended 2010 Ky. Acts ch. 24, sec. 668, effective July 15, 2010. -- Amended 1998 Ky. Acts ch. 198, sec. 6, effective July 15, 1998. -- Created 1960 Ky. Acts ch. 204, sec. 21, effective June 16, 1960.

**Formerly codified as** KRS 288.610.

**Legislative Research Commission Note (7/12/2006).** In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the Kentucky Financial Services Code, KRS Chapter 286, and KRS references within this statute have been adjusted to conform with the 2006 renumbering of that code.

**Legislative Research Commission Note (7/15/98).** In codifying the 1998 amendment to this statute, the phrase "of the business licensed under this chapter. All regulations of general" has been restored to subsection (1) of this statute under KRS 446.280. This text was in 1960 Ky. Acts ch. 204, sec. 21, creating this statute, and has never been deleted from it by legislative action.