

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE FOR
SENATE BILL NO. 1359

102ND GENERAL ASSEMBLY
2024

5286H.07T

AN ACT

To repeal sections 95.280, 95.285, 95.355, 205.160, 205.165, 205.190, 208.151, 303.425, 303.430, 303.440, 361.700, 361.705, 361.707, 361.711, 361.715, 361.718, 361.720, 361.723, 361.725, 361.727, 362.245, 362.1010, 362.1015, 362.1030, 362.1035, 362.1040, 362.1055, 362.1060, 362.1085, 362.1090, 362.1095, 362.1100, 362.1105, 362.1110, 362.1115, 362.1116, 362.1117, 374.190, 375.020, 376.427, 376.1345, 379.1640, 408.035, 408.140, 442.210, and 456.950, RSMo, and to enact in lieu thereof eighty-four new sections relating to financial institutions, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 95.280, 95.285, 95.355, 205.160,
2 205.165, 205.190, 208.151, 303.425, 303.430, 303.440, 361.700,
3 361.705, 361.707, 361.711, 361.715, 361.718, 361.720, 361.723,
4 361.725, 361.727, 362.245, 362.1010, 362.1015, 362.1030,
5 362.1035, 362.1040, 362.1055, 362.1060, 362.1085, 362.1090,
6 362.1095, 362.1100, 362.1105, 362.1110, 362.1115, 362.1116,
7 362.1117, 374.190, 375.020, 376.427, 376.1345, 379.1640,
8 408.035, 408.140, 442.210, and 456.950, RSMo, are repealed and
9 eighty-four new sections enacted in lieu thereof, to be known
10 as sections 110.075, 205.160, 205.165, 205.190, 208.151,
11 303.425, 303.430, 303.440, 361.900, 361.903, 361.906, 361.909,
12 361.912, 361.915, 361.918, 361.921, 361.924, 361.927, 361.930,
13 361.933, 361.936, 361.939, 361.942, 361.945, 361.948, 361.951,

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

14 361.954, 361.957, 361.960, 361.963, 361.966, 361.969, 361.972,
15 361.975, 361.978, 361.981, 361.984, 361.987, 361.990, 361.996,
16 361.999, 361.1002, 361.1005, 361.1008, 361.1011, 361.1014,
17 361.1017, 361.1020, 361.1023, 361.1026, 361.1029, 361.1032,
18 361.1035, 362.245, 362.1010, 362.1015, 362.1030, 362.1035,
19 362.1040, 362.1055, 362.1060, 362.1085, 362.1090, 362.1095,
20 362.1100, 362.1105, 362.1110, 362.1115, 362.1116, 362.1117,
21 374.190, 374.192, 375.020, 375.1183, 376.427, 376.1345,
22 379.1640, 380.621, 380.631, 408.035, 408.140, 427.300, 442.210,
23 and 456.950, to read as follows:

**110.075. 1. As used in this section, the following
2 terms shall mean:**

3 (1) "Depository", banking institution headquartered in
4 or maintaining a full-service branch in this state which is
5 selected by a municipality to hold and manage public funds;

6 (2) "Governing body", any city council, board of
7 aldermen, or board of trustees;

8 (3) "Municipal depositories", any state-chartered or
9 federally chartered banking institution as defined in
10 Article IV, Section 15 of the Constitution of Missouri;

11 (4) "Municipality", any city or village in this state;

12 (5) "Public funds", funds owned or controlled by a
13 municipality, including tax revenues, fees, grants, and
14 other sources of income.

15 2. All municipalities shall select depositories
16 through a competitive process in accordance with the
17 provisions in this section. The governing body of each
18 municipality shall develop and publish a request for
19 proposals which shall outline the requirements for selecting
20 one or more municipal depositories. Such requirements shall
21 address or include the following matters:

22 (1) The municipality shall use due diligence for
23 determining the financial stability and soundness of the
24 depository based on publicly available financial reports and
25 other public sources;

26 (2) Safe custody and liquidity of public funds,
27 including deposit insurance coverage and pledge of
28 collateral or investment in appropriate government
29 securities as authorized for public funds;

30 (3) Interest rates and fees offered;

31 (4) Services offered, including online banking, cash
32 management, deposit sweep and repurchase accounts,
33 investment in a common trust fund in eligible securities for
34 municipalities and political subdivisions, and other banking
35 service options;

36 (5) Compliance with all applicable state and federal
37 banking regulations;

38 (6) Convenient and efficient treasury functions,
39 including if the location of the depository institution
40 shall be required to be located within the municipality or
41 in the same county as the municipality.

42 3. Banking institutions interested in becoming the
43 municipal depository shall respond to the municipality's
44 request for proposals within the time frame specified by the
45 municipality in the request.

46 4. The governing body shall evaluate the proposals
47 based on the criteria outlined in the request for proposals
48 and select a banking institution that best meets the
49 municipality's needs and objectives.

50 5. The selected banking institution shall enter into a
51 contract with the municipality outlining the terms and
52 conditions of the depository relationship, including, but

53 not limited to, the interest rates, fees, and services to be
54 provided.

55 **6. Municipalities shall maintain records of the**
56 **selection process, including all proposals received by the**
57 **municipality for a period of two years.**

205.160. The county commissions of the several
2 counties of this state, both within and outside such
3 counties, except in counties of the third or fourth
4 classification (other than the county in which the hospital
5 is located) where there already exists a hospital organized
6 pursuant to [chapters 96,] **chapter** 205 [or 206]; provided,
7 however, that this exception shall not prohibit the
8 continuation of existing activities otherwise allowed by
9 law, are hereby authorized, as provided in sections 205.160
10 to 205.340, to establish, construct, equip, improve, extend,
11 repair and maintain public hospitals and engage in health
12 care activities, and may issue bonds therefor as authorized
13 by the general law governing the incurring of indebtedness
14 by counties.

205.165. 1. The board of trustees of any hospital
2 authorized under this subsection and organized under the
3 provisions of sections 205.160 to 205.340 may invest [up to
4 fifteen percent of their] **its** funds not required for
5 immediate disbursement in obligations or for the operation
6 of the hospital **as follows:**

7 **(1) Up to fifteen percent of such funds** into:

8 **(a)** Any mutual [fund, in the form of an investment
9 company, in which shareholders combine money to invest in a
10 variety of] **funds that invest in stocks, bonds, or real**
11 **estate, or any combination thereof;**

12 **(b)** Stocks[,];

13 **(c)** Bonds[, and] **that have:**

14 a. One of the five highest long-term ratings or the
15 highest short-term rating issued by a nationally recognized
16 rating agency; and

17 b. A final maturity of ten years or less;

18 (d) Money-market investments; or

19 (e) Any combination of investments described in
20 paragraphs (a) to (d) of this subdivision;

21 (2) Up to thirty-five percent of such funds into:

22 (a) Mutual funds that invest in stocks, bonds, or real
23 estate, or any combination thereof;

24 (b) Bonds that meet the rating and maturity
25 requirements of paragraph (c) of subdivision (1) of this
26 subsection;

27 (c) Money-market investments; or

28 (d) Any combination of investments described in
29 paragraphs (a) to (c) of this subdivision; and

30 (3) The remaining percentage into any investment in
31 which the state treasurer is allowed to invest.

32 2. The provisions of this section shall only apply if
33 the hospital[:

34 (1) Is located within a county of the first
35 classification with more than one hundred fifty thousand but
36 fewer than two hundred thousand inhabitants; and

37 (2)] receives less than [one] **three** percent of its
38 annual revenues from county or state taxes.

205.190. 1. The trustees shall, within ten days after
2 their appointment or election, qualify by taking the oath of
3 civil officers and organize as a board of hospital trustees
4 by the election of one of their number as chairman, one as
5 secretary, one as treasurer, and by the election of such
6 other officers as they may deem necessary.

7 2. No trustee shall receive any compensation for his
8 or her services performed, but a trustee may receive
9 reimbursement for any cash expenditures actually made for
10 personal expenses incurred as such trustee, and an itemized
11 statement of all such expenses and money paid out shall be
12 made under oath by each of such trustees and filed with the
13 secretary and allowed only by the affirmative vote of all of
14 the trustees present at a meeting of the board.

15 3. The board of hospital trustees shall make and adopt
16 such bylaws, rules and regulations for its own guidance and
17 for the government of the hospital as may be deemed
18 expedient for the economic and equitable conduct thereof,
19 not inconsistent with sections 205.160 to 205.340 and the
20 ordinances of the city or town wherein such public hospital
21 is located. The board shall provide by regulation for the
22 bonding of the chief executive officer and may require a
23 bond of the treasurer of the board and of any employee of
24 the hospital as it deems necessary. The costs of all bonds
25 required shall be paid out of the hospital fund. Except as
26 provided in subsection 4 of this section, it shall have the
27 exclusive control of the deposit, investment, and
28 expenditure of all moneys collected to the credit of the
29 hospital fund, and of the purchase of site or sites, the
30 purchase or construction of any hospital buildings, and of
31 the supervision, care and custody of the grounds, rooms or
32 buildings purchased, constructed, leased or set apart for
33 that purpose; provided, that all moneys received for such
34 hospital shall be credited to the hospital and deposited
35 into the depository thereof for the sole use of such
36 hospital in accordance with the provisions of sections
37 205.160 to 205.340. All funds received by each such
38 hospital shall be paid out only upon warrants ordered drawn

39 by the treasurer of the board of trustees of said county
40 upon the properly authenticated vouchers of the hospital
41 board.

42 4. The trustees shall have authority, both within and
43 outside the county, except in counties of the third or
44 fourth classification (other than the county in which the
45 hospital is located) where there already exists a hospital
46 organized pursuant to [chapters 96,] **chapter** 205 [or 206];
47 provided that this exception shall not prohibit the
48 continuation of existing activities otherwise allowed by
49 law, to operate, maintain and manage a hospital and hospital
50 facilities, and to make and enter into contracts, for the
51 use, operation or management of a hospital or hospital
52 facilities; to engage in health care activities; to make and
53 enter into leases of equipment and real property, a hospital
54 or hospital facilities, as lessor or lessee, regardless of
55 the duration of such lease; provided that any lease of
56 substantially all of the hospital, as the term "hospital" is
57 defined in section 197.020, wherein the board of trustees is
58 lessor shall be entered into only with the approval of the
59 county commission wherein such hospital is located and
60 provided that in a county of the second, third or fourth
61 classification, the income to such county from such lease of
62 substantially all of the hospital shall be appropriated to
63 provide health care services in the county; and further to
64 provide rules and regulations for the operation, management
65 or use of a hospital or hospital facilities. Any agreement
66 entered into pursuant to this subsection pertaining to the
67 lease of the hospital, as herein defined, shall have a
68 definite termination date as negotiated by the parties, but
69 this shall not preclude the trustees from entering into a
70 renewal of the agreement with the same or other parties

71 pertaining to the same or other subjects upon such terms and
72 conditions as the parties may agree. Notwithstanding any
73 other law to the contrary, the county commission in any
74 noncharter county of the first classification wherein such
75 hospital is located may separately negotiate and enter into
76 contractual agreements with the lessee as a condition of
77 approval of any lease authorized pursuant to this subsection.

78 5. The board of hospital trustees shall have power to
79 appoint a suitable chief executive officer and necessary
80 assistants and fix their compensation, and shall also have
81 power to remove such appointees; and shall in general carry
82 out the spirit and intent of sections 205.160 to 205.340 in
83 establishing and maintaining a county public hospital.

84 6. The board of hospital trustees may establish and
85 operate a day care center to provide care exclusively for
86 the children of the hospital's employees. A day care center
87 established by the board shall be licensed pursuant to the
88 provisions of sections 210.201 to 210.245. The operation of
89 a day care center shall be paid for by fees or charges,
90 established by the board, and collected from the hospital
91 employees who use its services. The board, however, is
92 authorized to receive any private donations or grants from
93 agencies of the federal government intended for the support
94 of the day care center.

95 7. The board of hospital trustees shall hold meetings
96 at least once each month, shall keep a complete record of
97 all its proceedings; and three members of the board shall
98 constitute a quorum for the transaction of business.

99 8. One of the trustees shall visit and examine the
100 hospital at least twice each month and the board shall,
101 during the first week in January of each year, file with the
102 county commission of the county a report of its proceedings

103 with reference to such hospital and a statement of all
104 receipts and expenditures during the year; and shall at such
105 time certify the amount necessary to maintain and improve
106 the hospital for the ensuing year.

208.151. 1. Medical assistance on behalf of needy
2 persons shall be known as "MO HealthNet". For the purpose
3 of paying MO HealthNet benefits and to comply with Title
4 XIX, Public Law 89-97, 1965 amendments to the federal Social
5 Security Act (42 U.S.C. Section 301, et seq.) as amended,
6 the following needy persons shall be eligible to receive MO
7 HealthNet benefits to the extent and in the manner
8 hereinafter provided:

9 (1) All participants receiving state supplemental
10 payments for the aged, blind and disabled;

11 (2) All participants receiving aid to families with
12 dependent children benefits, including all persons under
13 nineteen years of age who would be classified as dependent
14 children except for the requirements of subdivision (1) of
15 subsection 1 of section 208.040. Participants eligible
16 under this subdivision who are participating in treatment
17 court, as defined in section 478.001, shall have their
18 eligibility automatically extended sixty days from the time
19 their dependent child is removed from the custody of the
20 participant, subject to approval of the Centers for Medicare
21 and Medicaid Services;

22 (3) All participants receiving blind pension benefits;

23 (4) All persons who would be determined to be eligible
24 for old age assistance benefits, permanent and total
25 disability benefits, or aid to the blind benefits under the
26 eligibility standards in effect December 31, 1973, or less
27 restrictive standards as established by rule of the family
28 support division, who are sixty-five years of age or over

29 and are patients in state institutions for mental diseases
30 or tuberculosis;

31 (5) All persons under the age of twenty-one years who
32 would be eligible for aid to families with dependent
33 children except for the requirements of subdivision (2) of
34 subsection 1 of section 208.040, and who are residing in an
35 intermediate care facility, or receiving active treatment as
36 inpatients in psychiatric facilities or programs, as defined
37 in 42 U.S.C. Section 1396d, as amended;

38 (6) All persons under the age of twenty-one years who
39 would be eligible for aid to families with dependent
40 children benefits except for the requirement of deprivation
41 of parental support as provided for in subdivision (2) of
42 subsection 1 of section 208.040;

43 (7) All persons eligible to receive nursing care
44 benefits;

45 (8) All participants receiving family foster home or
46 nonprofit private child-care institution care, subsidized
47 adoption benefits and parental school care wherein state
48 funds are used as partial or full payment for such care;

49 (9) All persons who were participants receiving old
50 age assistance benefits, aid to the permanently and totally
51 disabled, or aid to the blind benefits on December 31, 1973,
52 and who continue to meet the eligibility requirements,
53 except income, for these assistance categories, but who are
54 no longer receiving such benefits because of the
55 implementation of Title XVI of the federal Social Security
56 Act, as amended;

57 (10) Pregnant women who meet the requirements for aid
58 to families with dependent children, except for the
59 existence of a dependent child in the home;

60 (11) Pregnant women who meet the requirements for aid
61 to families with dependent children, except for the
62 existence of a dependent child who is deprived of parental
63 support as provided for in subdivision (2) of subsection 1
64 of section 208.040;

65 (12) Pregnant women or infants under one year of age,
66 or both, whose family income does not exceed an income
67 eligibility standard equal to one hundred eighty-five
68 percent of the federal poverty level as established and
69 amended by the federal Department of Health and Human
70 Services, or its successor agency;

71 (13) Children who have attained one year of age but
72 have not attained six years of age who are eligible for
73 medical assistance under 6401 of P.L. 101-239 (Omnibus
74 Budget Reconciliation Act of 1989) (42 U.S.C. Sections 1396a
75 to 1396b). The family support division shall use an income
76 eligibility standard equal to one hundred thirty-three
77 percent of the federal poverty level established by the
78 Department of Health and Human Services, or its successor
79 agency;

80 (14) Children who have attained six years of age but
81 have not attained nineteen years of age. For children who
82 have attained six years of age but have not attained
83 nineteen years of age, the family support division shall use
84 an income assessment methodology which provides for
85 eligibility when family income is equal to or less than
86 equal to one hundred percent of the federal poverty level
87 established by the Department of Health and Human Services,
88 or its successor agency. As necessary to provide MO
89 HealthNet coverage under this subdivision, the department of
90 social services may revise the state MO HealthNet plan to
91 extend coverage under 42 U.S.C. Section

92 1396a(a)(10)(A)(i)(III) to children who have attained six
93 years of age but have not attained nineteen years of age as
94 permitted by paragraph (2) of subsection (n) of 42 U.S.C.
95 Section 1396d using a more liberal income assessment
96 methodology as authorized by paragraph (2) of subsection (r)
97 of 42 U.S.C. Section 1396a;

98 (15) The family support division shall not establish a
99 resource eligibility standard in assessing eligibility for
100 persons under subdivision (12), (13) or (14) of this
101 subsection. The MO HealthNet division shall define the
102 amount and scope of benefits which are available to
103 individuals eligible under each of the subdivisions (12),
104 (13), and (14) of this subsection, in accordance with the
105 requirements of federal law and regulations promulgated
106 thereunder;

107 (16) Notwithstanding any other provisions of law to
108 the contrary, ambulatory prenatal care shall be made
109 available to pregnant women during a period of presumptive
110 eligibility pursuant to 42 U.S.C. Section 1396r-1, as
111 amended;

112 (17) A child born to a woman eligible for and
113 receiving MO HealthNet benefits under this section on the
114 date of the child's birth shall be deemed to have applied
115 for MO HealthNet benefits and to have been found eligible
116 for such assistance under such plan on the date of such
117 birth and to remain eligible for such assistance for a
118 period of time determined in accordance with applicable
119 federal and state law and regulations so long as the child
120 is a member of the woman's household and either the woman
121 remains eligible for such assistance or for children born on
122 or after January 1, 1991, the woman would remain eligible
123 for such assistance if she were still pregnant. Upon

124 notification of such child's birth, the family support
125 division shall assign a MO HealthNet eligibility
126 identification number to the child so that claims may be
127 submitted and paid under such child's identification number;

128 (18) Pregnant women and children eligible for MO
129 HealthNet benefits pursuant to subdivision (12), (13) or
130 (14) of this subsection shall not as a condition of
131 eligibility for MO HealthNet benefits be required to apply
132 for aid to families with dependent children. The family
133 support division shall utilize an application for
134 eligibility for such persons which eliminates information
135 requirements other than those necessary to apply for MO
136 HealthNet benefits. The division shall provide such
137 application forms to applicants whose preliminary income
138 information indicates that they are ineligible for aid to
139 families with dependent children. Applicants for MO
140 HealthNet benefits under subdivision (12), (13) or (14) of
141 this subsection shall be informed of the aid to families
142 with dependent children program and that they are entitled
143 to apply for such benefits. Any forms utilized by the
144 family support division for assessing eligibility under this
145 chapter shall be as simple as practicable;

146 (19) Subject to appropriations necessary to recruit
147 and train such staff, the family support division shall
148 provide one or more full-time, permanent eligibility
149 specialists to process applications for MO HealthNet
150 benefits at the site of a health care provider, if the
151 health care provider requests the placement of such
152 eligibility specialists and reimburses the division for the
153 expenses including but not limited to salaries, benefits,
154 travel, training, telephone, supplies, and equipment of such
155 eligibility specialists. The division may provide a health

156 care provider with a part-time or temporary eligibility
157 specialist at the site of a health care provider if the
158 health care provider requests the placement of such an
159 eligibility specialist and reimburses the division for the
160 expenses, including but not limited to the salary, benefits,
161 travel, training, telephone, supplies, and equipment, of
162 such an eligibility specialist. The division may seek to
163 employ such eligibility specialists who are otherwise
164 qualified for such positions and who are current or former
165 welfare participants. The division may consider training
166 such current or former welfare participants as eligibility
167 specialists for this program;

168 (20) Pregnant women who are eligible for, have applied
169 for and have received MO HealthNet benefits under
170 subdivision (2), (10), (11) or (12) of this subsection shall
171 continue to be considered eligible for all pregnancy-related
172 and postpartum MO HealthNet benefits provided under section
173 208.152 until the end of the sixty-day period beginning on
174 the last day of their pregnancy. Pregnant women receiving
175 mental health treatment for postpartum depression or related
176 mental health conditions within sixty days of giving birth
177 shall, subject to appropriations and any necessary federal
178 approval, be eligible for MO HealthNet benefits for mental
179 health services for the treatment of postpartum depression
180 and related mental health conditions for up to twelve
181 additional months. Pregnant women receiving substance abuse
182 treatment within sixty days of giving birth shall, subject
183 to appropriations and any necessary federal approval, be
184 eligible for MO HealthNet benefits for substance abuse
185 treatment and mental health services for the treatment of
186 substance abuse for no more than twelve additional months,
187 as long as the woman remains adherent with treatment. The

188 department of mental health and the department of social
189 services shall seek any necessary waivers or state plan
190 amendments from the Centers for Medicare and Medicaid
191 Services and shall develop rules relating to treatment plan
192 adherence. No later than fifteen months after receiving any
193 necessary waiver, the department of mental health and the
194 department of social services shall report to the house of
195 representatives budget committee and the senate
196 appropriations committee on the compliance with federal cost
197 neutrality requirements;

198 (21) Case management services for pregnant women and
199 young children at risk shall be a covered service. To the
200 greatest extent possible, and in compliance with federal law
201 and regulations, the department of health and senior
202 services shall provide case management services to pregnant
203 women by contract or agreement with the department of social
204 services through local health departments organized under
205 the provisions of chapter 192 or chapter 205 or a city
206 health department operated under a city charter or a
207 combined city-county health department or other department
208 of health and senior services designees. To the greatest
209 extent possible the department of social services and the
210 department of health and senior services shall mutually
211 coordinate all services for pregnant women and children with
212 the crippled children's program, the prevention of
213 intellectual disability and developmental disability program
214 and the prenatal care program administered by the department
215 of health and senior services. The department of social
216 services shall by regulation establish the methodology for
217 reimbursement for case management services provided by the
218 department of health and senior services. For purposes of
219 this section, the term "case management" shall mean those

220 activities of local public health personnel to identify
221 prospective MO HealthNet-eligible high-risk mothers and
222 enroll them in the state's MO HealthNet program, refer them
223 to local physicians or local health departments who provide
224 prenatal care under physician protocol and who participate
225 in the MO HealthNet program for prenatal care and to ensure
226 that said high-risk mothers receive support from all private
227 and public programs for which they are eligible and shall
228 not include involvement in any MO HealthNet prepaid, case-
229 managed programs;

230 (22) By January 1, 1988, the department of social
231 services and the department of health and senior services
232 shall study all significant aspects of presumptive
233 eligibility for pregnant women and submit a joint report on
234 the subject, including projected costs and the time needed
235 for implementation, to the general assembly. The department
236 of social services, at the direction of the general
237 assembly, may implement presumptive eligibility by
238 regulation promulgated pursuant to chapter 207;

239 (23) All participants who would be eligible for aid to
240 families with dependent children benefits except for the
241 requirements of paragraph (d) of subdivision (1) of section
242 208.150;

243 (24) (a) All persons who would be determined to be
244 eligible for old age assistance benefits under the
245 eligibility standards in effect December 31, 1973, as
246 authorized by 42 U.S.C. Section 1396a(f), or less
247 restrictive methodologies as contained in the MO HealthNet
248 state plan as of January 1, 2005; except that, on or after
249 July 1, 2005, less restrictive income methodologies, as
250 authorized in 42 U.S.C. Section 1396a(r)(2), may be used to

251 change the income limit if authorized by annual
252 appropriation;

253 (b) All persons who would be determined to be eligible
254 for aid to the blind benefits under the eligibility
255 standards in effect December 31, 1973, as authorized by 42
256 U.S.C. Section 1396a(f), or less restrictive methodologies
257 as contained in the MO HealthNet state plan as of January 1,
258 2005, except that less restrictive income methodologies, as
259 authorized in 42 U.S.C. Section 1396a(r)(2), shall be used
260 to raise the income limit to one hundred percent of the
261 federal poverty level;

262 (c) All persons who would be determined to be eligible
263 for permanent and total disability benefits under the
264 eligibility standards in effect December 31, 1973, as
265 authorized by 42 U.S.C. Section 1396a(f); or less
266 restrictive methodologies as contained in the MO HealthNet
267 state plan as of January 1, 2005; except that, on or after
268 July 1, 2005, less restrictive income methodologies, as
269 authorized in 42 U.S.C. Section 1396a(r)(2), may be used to
270 change the income limit if authorized by annual
271 appropriations. Eligibility standards for permanent and
272 total disability benefits shall not be limited by age;

273 (25) Persons who have been diagnosed with breast or
274 cervical cancer and who are eligible for coverage pursuant
275 to 42 U.S.C. Section 1396a(a)(10)(A)(ii)(XVIII). Such
276 persons shall be eligible during a period of presumptive
277 eligibility in accordance with 42 U.S.C. Section 1396r-1. **A**
278 **person who receives a breast or cervical cancer screening**
279 **service of a type that is within the scope of screening**
280 **services under Title XV of the Public Health Service Act (42**
281 **U.S.C. Section 300k et seq.) and who otherwise meets the**
282 **eligibility requirements for medical assistance for**

283 **treatment of breast or cervical cancer as provided under**
284 **this subdivision is eligible for medical assistance under**
285 **this subdivision regardless of whether the screening service**
286 **was provided by a provider who receives or uses funds under**
287 **that title;**

288 (26) Persons who are in foster care under the
289 responsibility of the state of Missouri on the date such
290 persons attained the age of eighteen years, or at any time
291 during the thirty-day period preceding their eighteenth
292 birthday, or persons who received foster care for at least
293 six months in another state, are residing in Missouri, and
294 are at least eighteen years of age, without regard to income
295 or assets, if such persons:

296 (a) Are under twenty-six years of age;

297 (b) Are not eligible for coverage under another
298 mandatory coverage group; and

299 (c) Were covered by Medicaid while they were in foster
300 care;

301 (27) Any homeless child or homeless youth, as those
302 terms are defined in section 167.020, subject to approval of
303 a state plan amendment by the Centers for Medicare and
304 Medicaid Services;

305 (28) (a) Subject to approval of any necessary state
306 plan amendments or waivers, beginning on July 6, 2023,
307 pregnant women who are eligible for, have applied for, and
308 have received MO HealthNet benefits under subdivision (2),
309 (10), (11), or (12) of this subsection shall be eligible for
310 medical assistance during the pregnancy and during the
311 twelve-month period that begins on the last day of the
312 woman's pregnancy and ends on the last day of the month in
313 which such twelve-month period ends, consistent with the
314 provisions of 42 U.S.C. Section 1396a(e)(16). The

315 department shall submit a state plan amendment to the
316 Centers for Medicare and Medicaid Services when the number
317 of ineligible MO HealthNet participants removed from the
318 program in 2023 pursuant to section 208.239 exceeds the
319 projected number of beneficiaries likely to enroll in
320 benefits in 2023 under this subdivision and subdivision (2)
321 of subsection 6 of section 208.662, as determined by the
322 department, by at least one hundred individuals;

323 (b) The provisions of this subdivision shall remain in
324 effect for any period of time during which the federal
325 authority under 42 U.S.C. Section 1396a(e)(16), as amended,
326 or any successor statutes or implementing regulations, is in
327 effect.

328 2. Rules and regulations to implement this section
329 shall be promulgated in accordance with chapter 536. Any
330 rule or portion of a rule, as that term is defined in
331 section 536.010, that is created under the authority
332 delegated in this section shall become effective only if it
333 complies with and is subject to all of the provisions of
334 chapter 536 and, if applicable, section 536.028. This
335 section and chapter 536 are nonseverable and if any of the
336 powers vested with the general assembly pursuant to chapter
337 536 to review, to delay the effective date or to disapprove
338 and annul a rule are subsequently held unconstitutional,
339 then the grant of rulemaking authority and any rule proposed
340 or adopted after August 28, 2002, shall be invalid and void.

341 3. After December 31, 1973, and before April 1, 1990,
342 any family eligible for assistance pursuant to 42 U.S.C.
343 Section 601, et seq., as amended, in at least three of the
344 last six months immediately preceding the month in which
345 such family became ineligible for such assistance because of
346 increased income from employment shall, while a member of

347 such family is employed, remain eligible for MO HealthNet
348 benefits for four calendar months following the month in
349 which such family would otherwise be determined to be
350 ineligible for such assistance because of income and
351 resource limitation. After April 1, 1990, any family
352 receiving aid pursuant to 42 U.S.C. Section 601, et seq., as
353 amended, in at least three of the six months immediately
354 preceding the month in which such family becomes ineligible
355 for such aid, because of hours of employment or income from
356 employment of the caretaker relative, shall remain eligible
357 for MO HealthNet benefits for six calendar months following
358 the month of such ineligibility as long as such family
359 includes a child as provided in 42 U.S.C. Section 1396r-6.
360 Each family which has received such medical assistance
361 during the entire six-month period described in this section
362 and which meets reporting requirements and income tests
363 established by the division and continues to include a child
364 as provided in 42 U.S.C. Section 1396r-6 shall receive MO
365 HealthNet benefits without fee for an additional six
366 months. The MO HealthNet division may provide by rule and
367 as authorized by annual appropriation the scope of MO
368 HealthNet coverage to be granted to such families.

369 4. When any individual has been determined to be
370 eligible for MO HealthNet benefits, such medical assistance
371 will be made available to him or her for care and services
372 furnished in or after the third month before the month in
373 which he made application for such assistance if such
374 individual was, or upon application would have been,
375 eligible for such assistance at the time such care and
376 services were furnished; provided, further, that such
377 medical expenses remain unpaid.

378 5. The department of social services may apply to the
379 federal Department of Health and Human Services for a MO
380 HealthNet waiver amendment to the Section 1115 demonstration
381 waiver or for any additional MO HealthNet waivers necessary
382 not to exceed one million dollars in additional costs to the
383 state, unless subject to appropriation or directed by
384 statute, but in no event shall such waiver applications or
385 amendments seek to waive the services of a rural health
386 clinic or a federally qualified health center as defined in
387 42 U.S.C. Section 1396d(1)(1) and (2) or the payment
388 requirements for such clinics and centers as provided in 42
389 U.S.C. Section 1396a(a)(15) and 1396a(bb) unless such waiver
390 application is approved by the oversight committee created
391 in section 208.955. A request for such a waiver so
392 submitted shall only become effective by executive order not
393 sooner than ninety days after the final adjournment of the
394 session of the general assembly to which it is submitted,
395 unless it is disapproved within sixty days of its submission
396 to a regular session by a senate or house resolution adopted
397 by a majority vote of the respective elected members
398 thereof, unless the request for such a waiver is made
399 subject to appropriation or directed by statute.

400 6. Notwithstanding any other provision of law to the
401 contrary, in any given fiscal year, any persons made
402 eligible for MO HealthNet benefits under subdivisions (1) to
403 (22) of subsection 1 of this section shall only be eligible
404 if annual appropriations are made for such eligibility.
405 This subsection shall not apply to classes of individuals
406 listed in 42 U.S.C. Section 1396a(a)(10)(A)(i).

407 7. (1) Notwithstanding any provision of law to the
408 contrary, a military service member, or an immediate family
409 member residing with such military service member, who is a

410 legal resident of this state and is eligible for MO
411 HealthNet developmental disability services, shall have his
412 or her eligibility for MO HealthNet developmental disability
413 services temporarily suspended for any period of time during
414 which such person temporarily resides outside of this state
415 for reasons relating to military service, but shall have his
416 or her eligibility immediately restored upon returning to
417 this state to reside.

418 (2) Notwithstanding any provision of law to the
419 contrary, if a military service member, or an immediate
420 family member residing with such military service member, is
421 not a legal resident of this state, but would otherwise be
422 eligible for MO HealthNet developmental disability services,
423 such individual shall be deemed eligible for MO HealthNet
424 developmental disability services for the duration of any
425 time in which such individual is temporarily present in this
426 state for reasons relating to military service.

303.425. 1. (1) There is hereby created within the
2 department of revenue the motor vehicle financial
3 responsibility enforcement and compliance incentive
4 program. The department of revenue may enter into
5 contractual agreements with third-party vendors to
6 facilitate the necessary technology and equipment,
7 maintenance thereof, and associated program management
8 services.

9 (2) The department of revenue or a third-party vendor
10 shall utilize technology to compare vehicle registration
11 information with the financial responsibility information
12 accessible through the system. The department of revenue
13 shall utilize this information to identify motorists who are
14 in violation of the motor vehicle financial responsibility
15 law. The department of revenue may offer offenders under

16 this program the option of pretrial diversion as an
17 alternative to statutory fines or reinstatement fees
18 prescribed under the motor vehicle financial responsibility
19 law as a method of encouraging compliance and discouraging
20 recidivism.

21 (3) The department of revenue or third-party vendors
22 shall not use any data collected from or technology
23 associated with any automated motor vehicle financial
24 responsibility enforcement system. For purposes of this
25 subdivision, "motor vehicle financial responsibility
26 enforcement system" means a device consisting of a camera or
27 cameras and vehicle sensor or sensors installed to record
28 motor vehicle financial responsibility violations.

29 (4) All fees paid to or collected by third-party
30 vendors under sections 303.420 to 303.440 may come from
31 violator diversion fees generated by the pretrial diversion
32 option established under this section.

33 2. The department of revenue may authorize law
34 enforcement agencies or third-party vendors to use
35 technology to collect data for the investigation, detection,
36 analysis, and enforcement of the motor vehicle financial
37 responsibility law.

38 3. The department of revenue may authorize traffic
39 enforcement officers or third-party vendors to administer
40 the processing and issuance of notices of violation, the
41 collection of fees for a violation of the motor vehicle
42 financial responsibility law, or the referral of cases for
43 prosecution, under the program.

44 4. Access to the system shall be restricted to
45 qualified agencies and the third-party vendors with which
46 the department of revenue contracts for purposes of the
47 program, provided that any third-party vendor with which a

48 contract is executed to provide necessary technology,
49 equipment, or maintenance for the program shall be
50 authorized as necessary to collaborate for required updates
51 and maintenance of system software.

52 5. For purposes of the program, any data collected and
53 matched to a corresponding vehicle insurance record as
54 verified through the system, and any Missouri vehicle
55 registration database, may be used to identify violations of
56 the motor vehicle financial responsibility law. Such
57 corresponding data shall constitute evidence of the
58 violations.

59 6. Except as otherwise provided in this section, the
60 department of revenue shall suspend, in accordance with
61 section 303.041, the registration of any motor vehicle that
62 is determined under the program to be in violation of the
63 motor vehicle financial responsibility law.

64 7. The department of revenue shall send to an owner
65 whose vehicle is identified under the program as being in
66 violation of the motor vehicle financial responsibility law
67 a notice that the vehicle's registration may be suspended
68 unless the owner, within thirty days, provides proof of
69 financial responsibility for the vehicle or proof, in a form
70 specified by the department of revenue, that the owner has a
71 pending criminal charge for a violation of the motor vehicle
72 financial responsibility law. The notice shall include
73 information on steps an individual may take to obtain proof
74 of financial responsibility and a web address to a page on
75 the department of revenue's website where information on
76 obtaining proof of financial responsibility shall be
77 provided. If proof of financial responsibility or a pending
78 criminal charge is not provided within the time allotted,
79 the department of revenue shall provide a notice of

80 suspension and suspend the vehicle's registration in
81 accordance with section 303.041, or shall send a notice of
82 vehicle registration suspension, clearly specifying the
83 reason and statutory grounds for the suspension and the
84 effective date of the suspension, the right of the vehicle
85 owner to request a hearing, the procedure for requesting a
86 hearing, and the date by which that request for a hearing
87 must be made, as well as informing the owner that the matter
88 will be referred for prosecution if a satisfactory response
89 is not received in the time allotted, informing the owner
90 that the minimum penalty for the violation is three hundred
91 dollars [and four license points], and offering the owner
92 participation in a pretrial diversion option to preclude
93 referral for prosecution and registration suspension under
94 sections 303.420 to 303.440. The notice of vehicle
95 registration suspension shall give a period of thirty-three
96 days from mailing for the vehicle owner to respond, and
97 shall be deemed received three days after mailing. If no
98 request for a hearing or agreement to participate in the
99 diversion option is received by the department of revenue
100 prior to the date provided on the notice of vehicle
101 registration suspension, the director shall suspend the
102 vehicle's registration, effective immediately, and refer the
103 case to the appropriate prosecuting attorney. If an
104 agreement by the vehicle owner to participate in the
105 diversion option is received by the department of revenue
106 prior to the effective date provided on the notice of
107 vehicle registration suspension, then upon payment of a
108 diversion participation fee not to exceed two hundred
109 dollars, agreement to secure proof of financial
110 responsibility within the time provided on the notice of
111 suspension, and agreement that such financial responsibility

112 shall be maintained for a minimum of two years, no points
113 shall be assessed to the vehicle owner's driver's license
114 under section 302.302 and the department of revenue shall
115 not take further action against the vehicle owner under
116 sections 303.420 to 303.440, subject to compliance with the
117 terms of the pretrial diversion option. The department of
118 revenue shall suspend the vehicle registration of, and shall
119 refer the case to the appropriate prosecuting attorney for
120 prosecution of, participating vehicle owners who violate the
121 terms of the pretrial diversion option. If a request for
122 hearing is received by the department of revenue prior to
123 the effective date provided on the notice of vehicle
124 registration suspension, then for all purposes other than
125 eligibility for participation in the diversion option, the
126 effective date of the suspension shall be stayed until a
127 final order is issued following the hearing. The department
128 of revenue shall suspend the registration of vehicles
129 determined under the final order to have violated the motor
130 vehicle financial responsibility law, and shall refer the
131 case to the appropriate prosecuting attorney for
132 prosecution. Notices under this subsection shall be mailed
133 to the vehicle owner at the last known address shown on the
134 department of revenue's records. The department of revenue
135 or its third-party vendor shall issue receipts for the
136 collection of diversion participation fees. Except as
137 otherwise provided in subsection 1 of this section, all such
138 fees shall be deposited into the motor vehicle financial
139 responsibility verification and enforcement fund established
140 in section 303.422. A vehicle owner whose registration has
141 been suspended under sections 303.420 to 303.440 may obtain
142 reinstatement of the registration upon providing proof of
143 financial responsibility and payment to the department of

144 revenue of a nonrefundable reinstatement fee equal to the
145 fee that would be applicable under subsection 2 of section
146 303.042 if the registration had been suspended under section
147 303.041.

148 8. Data collected or retained under the program shall
149 not be used by any entity for purposes other than
150 enforcement of the motor vehicle financial responsibility
151 law. Data collected and stored by law enforcement under the
152 program shall be considered evidence if noncompliance with
153 the motor vehicle financial responsibility law is
154 confirmed. The evidence, and an affidavit stating that the
155 evidence and system have identified a particular vehicle as
156 being in violation of the motor vehicle financial
157 responsibility law, shall constitute probable cause for
158 prosecution and shall be forwarded in accordance with
159 subsection 7 of this section to the appropriate prosecuting
160 attorney.

161 9. Owners of vehicles identified under the program as
162 being in violation of the motor vehicle financial
163 responsibility law shall be provided with options for
164 disputing such claims which do not require appearance at any
165 state or local court of law, or administrative facility.
166 Any person who presents timely proof that he or she was in
167 compliance with the motor vehicle financial responsibility
168 law at the time of the alleged violation shall be entitled
169 to dismissal of the charge with no assessment of fees or
170 fines. Proof provided by a vehicle owner to the department
171 of revenue that the vehicle was in compliance at the time of
172 the suspected violation of the motor vehicle financial
173 responsibility law shall be recorded in the system
174 established by the department of revenue under section
175 303.430.

176 10. The collection of data pursuant to this section
177 shall be done in a manner that prohibits any bias towards a
178 specific community, race, gender, or socioeconomic status of
179 vehicle owner.

180 11. Law enforcement agencies, third-party vendors, or
181 other entities authorized to operate under the program shall
182 not sell data collected or retained under the program for
183 any purpose or share it for any purpose not expressly
184 authorized in this section. All data shall be secured and
185 any third-party vendor or other entity authorized to operate
186 under the program may be liable for any data security breach.

187 12. The department of revenue shall not take action
188 under sections 303.420 to 303.440 against vehicles
189 registered as fleet vehicles under section 301.032, or
190 against vehicles known to the department of revenue to be
191 insured under a policy of commercial auto coverage, as such
192 term is defined in subdivision (10) of subsection 2 of
193 section 303.430.

194 13. Following one year after the implementation of the
195 program, and every year thereafter **for a period of five**
196 **years**, the department of revenue shall provide a report to
197 the president pro tempore of the senate, the speaker of the
198 house of representatives, the chairs of the house and senate
199 committees with jurisdictions over insurance or
200 transportation matters, and the chairs of the house budget
201 and senate appropriations committees. The report shall
202 include an evaluation of program operations, information as
203 to the costs of the program incurred by the department of
204 revenue, insurers, and the public, information as to the
205 effectiveness of the program in reducing the number of
206 uninsured motor vehicles, and anonymized demographic
207 information including the race and zip code of vehicle

208 owners identified under the program as being in violation of
209 the motor vehicle financial responsibility law, and may
210 include any additional information and recommendations for
211 improvement of the program deemed appropriate by the
212 department of revenue. The department of revenue may, by
213 rule, require the state, counties, and municipalities to
214 provide information in order to complete the report.

215 14. The department of revenue may promulgate rules as
216 necessary for the implementation of this section. Any rule
217 or portion of a rule, as that term is defined in section
218 536.010, that is created under the authority delegated in
219 this section shall become effective only if it complies with
220 and is subject to all of the provisions of chapter 536 and,
221 if applicable, section 536.028. This section and chapter
222 536 are nonseverable and if any of the powers vested with
223 the general assembly pursuant to chapter 536 to review, to
224 delay the effective date, or to disapprove and annul a rule
225 are subsequently held unconstitutional, then the grant of
226 rulemaking authority and any rule proposed or adopted after
227 August 28, 2023, shall be invalid and void.

303.430. 1. The department of revenue shall establish
2 and maintain a web-based system for the verification of
3 motor vehicle financial responsibility, shall provide access
4 to insurance reporting data and vehicle registration and
5 financial responsibility data, and shall require motor
6 vehicle insurers to establish functionality for the
7 verification system, as provided in sections 303.420 to
8 303.440. The verification system, including any exceptions
9 as provided for in sections 303.420 to 303.440 or in the
10 implementation guide developed to support the program, shall
11 supersede any existing verification system, and shall be the

12 sole system used for the purpose of verifying financial
13 responsibility required under this chapter.

14 2. The system established pursuant to subsection 1 of
15 this section shall be subject to the following:

16 (1) The verification system shall transmit requests to
17 insurers for verification of motor vehicle insurance
18 coverage via web services established by the insurers
19 through the internet in compliance with the specifications
20 and standards of the Insurance Industry Committee on Motor
21 Vehicle Administration, or "IICMVA". Insurance company
22 systems shall respond to each request with a prescribed
23 response upon evaluation of the data provided in the
24 request. The system shall include appropriate protections
25 to secure its data against unauthorized access, and the
26 department of revenue shall maintain a historical record of
27 the system data for a period of no more than twelve months
28 from the date of all requests and responses. The system
29 shall be used for verification of the financial
30 responsibility required under this chapter. The system
31 shall be accessible to authorized personnel of the
32 department of revenue, the courts, law enforcement
33 personnel, and other entities authorized by the state as
34 permitted by state or federal privacy laws, and it shall be
35 interfaced, wherever appropriate, with existing state
36 systems. The system shall include information enabling the
37 department of revenue to submit inquiries to insurers
38 regarding motor vehicle insurance which are consistent with
39 insurance industry and IICMVA recommendations,
40 specifications, and standards by using the following data
41 elements for greater matching accuracy: insurer National
42 Association of Insurance Commissioners, or "NAIC", company
43 code; vehicle identification number; policy number;

44 verification date; or as otherwise described in the
45 specifications and standards of the IICMVA. The department
46 of revenue shall promulgate rules to offer insurers who
47 insure one thousand or fewer vehicles within this state an
48 alternative method for verifying motor vehicle insurance
49 coverage in lieu of web services, and to provide for the
50 verification of financial responsibility when financial
51 responsibility is proven to the department to be maintained
52 by means other than a policy of motor vehicle insurance.
53 Insurers shall not be required to verify insurance coverage
54 for vehicles registered in other jurisdictions;

55 (2) The verification system shall respond to each
56 request within a time period established by the department
57 of revenue. An insurer's system shall respond within the
58 time period prescribed by the IICMVA's specifications and
59 standards. Insurer systems shall be permitted reasonable
60 system downtime for maintenance and other work with advance
61 notice to the department of revenue. Insurers shall not be
62 subject to enforcement fees or other sanctions under such
63 circumstances, or when systems are not available because of
64 emergency, outside attack, or other unexpected outages not
65 planned by the insurer and reasonably outside its control;

66 (3) The system shall assist in identifying violations
67 of the motor vehicle financial responsibility law in the
68 most effective way possible. Responses to individual
69 insurance verification requests shall have no bearing on
70 whether insurance coverage is determined to be in force at
71 the time of a claim. Claims shall be individually
72 investigated to determine the existence of coverage.
73 Nothing in sections 303.420 to 303.440 shall prohibit the
74 department of revenue from contracting with a third-party
75 vendor or vendors who have successfully implemented similar

76 systems in other states to assist in establishing and
77 maintaining this verification system;

78 (4) The department of revenue shall consult with
79 representatives of the insurance industry and may consult
80 with third-party vendors to determine the objectives,
81 details, and deadlines related to the system by
82 establishment of an advisory council. **Members of the**
83 **advisory council shall serve in an advisory capacity in**
84 **matters pertaining to the administration of sections 303.420**
85 **to 303.440, as the department of revenue may request. The**
86 **advisory council shall expire one year after implementation**
87 **of the program.** The advisory council shall consist of
88 voting members comprised of:

89 (a) The director of the department of commerce and
90 insurance, or his or her designee, who shall serve as chair;

91 (b) Two representatives of the department of revenue,
92 to be appointed by the director of the department of revenue;

93 (c) One representative of the department of commerce
94 and insurance, to be appointed by the director of the
95 department of commerce and insurance;

96 (d) Three representatives of insurance companies, to
97 be appointed by the director of the department of commerce
98 and insurance;

99 (e) One representative from the Missouri Insurance
100 Coalition;

101 (f) One representative chosen by the National
102 Association of Mutual Insurance Companies;

103 (g) One representative chosen by the American Property
104 and Casualty Insurance Association;

105 (h) One representative chosen by the Missouri
106 Independent Agents Association; and

107 (i) Such other representatives as may be appointed by
108 the director of the department of commerce and insurance;

109 (5) The department of revenue shall publish for
110 comment, and then issue, a detailed implementation guide for
111 its online verification system;

112 (6) The department of revenue and its third-party
113 vendors, if any, shall each maintain a contact person for
114 insurers during the establishment, implementation, and
115 operation of the system;

116 (7) If the department of revenue has reason to believe
117 a vehicle owner does not maintain financial responsibility
118 as required under this chapter, it may also request an
119 insurer to verify the existence of such financial
120 responsibility in a form approved by the department of
121 revenue. In addition, insurers shall cooperate with the
122 department of revenue in establishing and maintaining the
123 verification system established under this section, and
124 shall provide motor vehicle insurance policy status
125 information as provided in the rules promulgated by the
126 department of revenue;

127 (8) Every property and casualty insurance company
128 licensed to issue motor vehicle insurance or authorized to
129 do business in this state shall comply with sections 303.420
130 to 303.440, and corresponding rules promulgated by the
131 department of revenue, for the verification of such
132 insurance for every vehicle insured by that company in this
133 state;

134 (9) Insurers shall maintain a historical record of
135 insurance data for a minimum period of six months from the
136 date of policy inception or policy change for the purpose of
137 historical verification inquiries;

138 (10) For the purposes of this section, "commercial
139 auto coverage" shall mean any coverage provided to an
140 insured, regardless of number of vehicles or entities
141 covered, under a commercial coverage form and rated from a
142 commercial manual approved by the department of commerce and
143 insurance. Sections 303.420 to 303.440 shall not apply to
144 vehicles insured under commercial auto coverage; however,
145 insurers of such vehicles may participate on a voluntary
146 basis, and vehicle owners may provide proof at or subsequent
147 to the time of vehicle registration that a vehicle is
148 insured under commercial auto coverage, which the department
149 of revenue shall record in the system;

150 (11) Insurers shall provide commercial or fleet
151 automobile customers with evidence reflecting that the
152 vehicle is insured under a commercial or fleet automobile
153 liability policy. Sufficient evidence shall include an
154 insurance identification card clearly marked with a suitable
155 identifier such as "commercial auto insurance identification
156 card", "fleet auto insurance identification card", or other
157 clear identification that the vehicle is insured under a
158 fleet or commercial policy;

159 (12) Notwithstanding any provision of sections 303.420
160 to 303.440, insurers shall be immune from civil and
161 administrative liability for good faith efforts to comply
162 with the terms of sections 303.420 to 303.440;

163 (13) Nothing in this section shall prohibit an insurer
164 from using the services of a third-party vendor for
165 facilitating the verification system required under sections
166 303.420 to 303.440.

167 3. The department of revenue shall promulgate rules as
168 necessary for the implementation of sections 303.420 to
169 303.440. Any rule or portion of a rule, as that term is

170 defined in section 536.010, that is created under the
171 authority delegated in this section shall become effective
172 only if it complies with and is subject to all of the
173 provisions of chapter 536 and, if applicable, section
174 536.028. This section and chapter 536 are nonseverable and
175 if any of the powers vested with the general assembly
176 pursuant to chapter 536 to review, to delay the effective
177 date, or to disapprove and annul a rule are subsequently
178 held unconstitutional, then the grant of rulemaking
179 authority and any rule proposed or adopted after August 28,
180 2023, shall be invalid and void.

303.440. The verification system established under
2 section 303.430 shall be installed and fully operational [on
3 January 1, 2025] **no later than December 31, 2027, or as soon**
4 **as technologically possible following the development and**
5 **maintenance of a modernized, integrated system for the**
6 **titling of vehicles, issuance and renewal of vehicle**
7 **registrations, issuance and renewal of driver's licenses and**
8 **identification cards, and perfection and release of liens**
9 **and encumbrances on vehicles, to be funded by the motor**
10 **vehicle administration technology fund as created in section**
11 **301.558**, following an appropriate testing or pilot period of
12 not less than nine months. Until the successful completion
13 of the testing or pilot period in the judgment of the
14 director of the department of revenue, no enforcement action
15 shall be taken based on the system, including but not
16 limited to action taken under the program established under
17 section 303.425.

361.900. Sections 361.900 to 361.1035 shall be known
2 **and may be cited as the "Money Transmission Modernization**
3 **Act of 2024".**

361.903. Sections 361.900 to 361.1035 are designed to
2 replace existing state money transmission laws currently
3 codified in law and to:

4 (1) Ensure states may coordinate in all areas of
5 regulation, licensing, and supervision to eliminate
6 unnecessary regulatory burden and more effectively utilize
7 regulator resources;

8 (2) Protect the public from financial crime;

9 (3) Standardize the types of activities that are
10 subject to licensing or otherwise exempt from licensing; and

11 (4) Modernize safety and soundness requirements to
12 ensure customer funds are protected in an environment that
13 supports innovative and competitive business practices.

361.906. For purposes of sections 361.900 to 361.1035,
2 the following terms shall mean:

3 (1) "Acting in concert", persons knowingly acting
4 together with a common goal of jointly acquiring control of
5 a licensee, regardless of whether under an express agreement;

6 (2) "Authorized delegate", a person that a licensee
7 designates to engage in money transmission on behalf of the
8 licensee;

9 (3) "Average daily money transmission liability", the
10 amount of the licensee's outstanding money transmission
11 obligations in this state at the end of each day in a given
12 period of time, added together, and divided by the total
13 number of days in the given period of time. For purposes of
14 calculating average daily money transmission liability under
15 sections 361.900 to 361.1035 for any licensee required to do
16 so, the given period of time shall be the quarters ending
17 March thirty-first, June thirtieth, September thirtieth, and
18 December thirty-first;

19 (4) "Bank Secrecy Act", the Bank Secrecy Act, 31
20 U.S.C. Section 5311 et seq., and its implementing
21 regulations, as amended and recodified from time to time;

22 (5) "Closed loop stored value", stored value that is
23 redeemable by the issuer only for goods or services provided
24 by the issuer or its affiliate or franchisees of the issuer
25 or its affiliate, except to the extent required by
26 applicable law to be redeemable in cash for its cash value;

27 (6) "Control":

28 (a) The power to vote, directly or indirectly, at
29 least twenty-five percent of the outstanding voting shares
30 or voting interests of a licensee or person in control of a
31 licensee;

32 (b) The power to elect or appoint a majority of key
33 individuals or executive officers, managers, directors,
34 trustees, or other persons exercising managerial authority
35 of a person in control of a licensee; or

36 (c) The power to exercise, directly or indirectly, a
37 controlling influence over the management or policies of a
38 licensee or person in control of a licensee.

39 A person is presumed to exercise a controlling influence if
40 the person holds the power to vote, directly or indirectly,
41 at least ten percent of the outstanding voting shares or
42 voting interests of a licensee or person in control of a
43 licensee. A person presumed to exercise a controlling
44 influence as defined under this subdivision can rebut the
45 presumption of control if the person is a passive investor.
46 For purposes of determining the percentage of a person
47 controlled by any other person, the person's interest shall
48 be aggregated with the interest of any other immediate
49 family member, including the person's spouse, parents,

50 children, siblings, mothers- and fathers-in-law, sons- and
51 daughters-in-law, brothers- and sisters-in-law, and any
52 other person who shares such person's home;

53 (7) "Director", the director of the Missouri division
54 of finance;

55 (8) "Eligible rating", a credit rating of any of the
56 three highest rating categories provided by an eligible
57 rating service. Each category may include rating category
58 modifiers such as "plus" or "minus" for Standard and Poor's
59 or the equivalent for any other eligible rating service;

60 (9) "Eligible rating service", any nationally
61 recognized statistical rating organization (NRSRO) as
62 defined by the United States Securities and Exchange
63 Commission and any other organization designated by rule or
64 order;

65 (10) "Federally insured depository financial
66 institution", a bank, credit union, savings and loan
67 association, trust company, savings association, savings
68 bank, industrial bank, or industrial loan company organized
69 under the laws of the United States or any state of the
70 United States if such bank, credit union, savings and loan
71 association, trust company, savings association, savings
72 bank, industrial bank, or industrial loan company has
73 federally insured deposits;

74 (11) "In this state", at a physical location within
75 this state for a transaction requested in person. For a
76 transaction requested electronically or by phone, the
77 provider of money transmission may determine if the person
78 requesting the transaction is in this state by relying on
79 other information provided by the person regarding the
80 location of the individual's residential address or a
81 business entity's principal place of business or other

82 physical address location, and any records associated with
83 the person that the provider of money transmission may have
84 that indicate such location including, but not limited to,
85 an address associated with an account;

86 (12) "Individual", a natural person;

87 (13) "Key individual", any individual ultimately
88 responsible for establishing or directing policies and
89 procedures of the licensee, such as an executive officer,
90 manager, director, or trustee;

91 (14) "Licensee", a person licensed under sections
92 361.900 to 361.1035;

93 (15) "Material litigation", litigation that, according
94 to United States generally accepted accounting principles,
95 is significant to a person's financial health and would be
96 required to be disclosed in the person's annual audited
97 financial statements, report to shareholders, or similar
98 records;

99 (16) "Monetary value", a medium of exchange,
100 regardless of whether redeemable in money;

101 (17) "Money", a medium of exchange that is authorized
102 or adopted by the United States or a foreign government.
103 The term includes a monetary unit of account established by
104 an intergovernmental organization or by agreement between
105 two or more governments;

106 (18) "Money transmission", any of the following:

107 (a) Selling or issuing payment instruments to a person
108 located in this state;

109 (b) Selling or issuing stored value to a person
110 located in this state; or

111 (c) Receiving money for transmission from a person
112 located in this state.

113 The term includes payroll processing services. The term
114 does not include the provision solely of online or
115 telecommunications services or network access;

116 (19) "Multistate licensing process", any agreement
117 entered into by and among state regulators relating to
118 coordinated processing of applications for money
119 transmission licenses, applications for the acquisition of
120 control of a licensee, control determinations, or notice and
121 information requirements for a change of key individuals;

122 (20) "NMLS", the Nationwide Multistate Licensing
123 System and Registry developed by the Conference of State
124 Bank Supervisors and the American Association of Residential
125 Mortgage Regulators and owned and operated by the State
126 Regulatory Registry LLC or any successor or affiliated
127 entity for the licensing and registration of persons in
128 financial services industries;

129 (21) "Outstanding money transmission obligations":

130 (a) Any payment instrument or stored value issued or
131 sold by the licensee to a person located in the United
132 States or reported as sold by an authorized delegate of the
133 licensee to a person that is located in the United States
134 that has not yet been paid or refunded by or for the
135 licensee or escheated in accordance with applicable
136 abandoned property laws; or

137 (b) Any money received for transmission by the
138 licensee or an authorized delegate in the United States from
139 a person located in the United States that has not been
140 received by the payee or refunded to the sender, or
141 escheated in accordance with applicable abandoned property
142 laws.

143 For purposes of this subdivision, "in the United States"
144 shall include, to the extent applicable, a person in any
145 state, territory, or possession of the United States; the
146 District of Columbia; the Commonwealth of Puerto Rico; or a
147 U.S. military installation that is located in a foreign
148 country;

149 (22) "Passive investor", a person that:

150 (a) Does not have the power to elect a majority of key
151 individuals or executive officers, managers, directors,
152 trustees, or other persons exercising managerial authority
153 of a person in control of a licensee;

154 (b) Is not employed by and does not have any
155 managerial duties of the licensee or person in control of a
156 licensee;

157 (c) Does not have the power to exercise, directly or
158 indirectly, a controlling influence over the management or
159 policies of a licensee or person in control of a licensee;
160 and

161 (d) Either:

162 a. Attests to paragraphs (a), (b), and (c) of this
163 subdivision, in a form and in a medium prescribed by the
164 director; or

165 b. Commits to the passivity characteristics of
166 paragraphs (a), (b), and (c) of this subdivision in a
167 written document;

168 (23) "Payment instrument", a written or electronic
169 check, draft, money order, traveler's check, or other
170 written or electronic instrument for the transmission or
171 payment of money or monetary value, regardless of whether
172 negotiable. The term does not include stored value or any
173 instrument that:

174 (a) Is redeemable by the issuer only for goods or
175 services provided by the issuer or its affiliate or
176 franchisees of the issuer or its affiliate, except to the
177 extent required by applicable law to be redeemable in cash
178 for its cash value; or

179 (b) Is not sold to the public but issued and
180 distributed as part of a loyalty, rewards, or promotional
181 program;

182 (24) "Payroll processing services", receiving money
183 for transmission under a contract with a person to deliver
184 wages or salaries, make payment of payroll taxes to state
185 and federal agencies, make payments relating to employee
186 benefit plans, or make distributions of other authorized
187 deductions from wages or salaries. The term does not
188 include an employer performing payroll processing services
189 on its own behalf or on behalf of its affiliate or a
190 professional employer organization subject to regulation
191 under sections 285.700 to 285.750;

192 (25) "Person", any individual, general partnership,
193 limited partnership, limited liability company, corporation,
194 trust, association, joint stock corporation, or other
195 corporate entity identified by the director;

196 (26) "Receiving money for transmission" or "money
197 received for transmission", receiving money or monetary
198 value in the United States for transmission within or
199 outside the United States by electronic or other means;

200 (27) "Stored value", monetary value representing a
201 claim against the issuer evidenced by an electronic or
202 digital record and that is intended and accepted for use as
203 a means of redemption for money, or monetary value, or
204 payment for goods or services. The term includes, but is
205 not limited to, "prepaid access" as defined under 31 CFR

206 Section 1010.100, as amended or recodified from time to
207 time. Notwithstanding the provisions of this subdivision,
208 the term does not include a payment instrument or closed
209 loop stored value, or stored value not sold to the public
210 but issued and distributed as part of a loyalty, rewards, or
211 promotional program;

212 (28) "Tangible net worth", the aggregate assets of a
213 licensee excluding all intangible assets, less liabilities,
214 as determined in accordance with United States generally
215 accepted accounting principles.

361.909. Sections 361.900 to 361.1035 shall not apply
2 to:

3 (1) An operator of a payment system to the extent that
4 it provides processing, clearing, or settlement services
5 between or among persons exempted under this section or
6 licensees in connection with wire transfers, credit card
7 transactions, debit card transactions, stored value
8 transactions, automated clearinghouse transfers, or similar
9 funds transfers;

10 (2) A person appointed as an agent of a payee to
11 collect and process a payment from a payer to the payee for
12 goods or services, other than money transmission itself,
13 provided to the payer by the payee, provided that:

14 (a) There exists a written agreement between the payee
15 and the agent directing the agent to collect and process
16 payments from a payer on the payee's behalf;

17 (b) The payee holds the agent out to the public as
18 accepting payments for goods or services on the payee's
19 behalf; and

20 (c) Payment for the goods and services is treated as
21 received by the payee upon receipt by the agent so that the
22 payer's obligation is extinguished and there is no risk of

23 loss to the payer if the agent fails to remit the funds to
24 the payee;

25 (3) A person that acts as an intermediary by
26 processing payments between an entity that has directly
27 incurred an outstanding money transmission obligation to a
28 sender and the sender's designated recipient, provided that
29 the entity:

30 (a) Is properly licensed or exempt from licensing
31 requirements under sections 361.900 to 361.1035;

32 (b) Provides a receipt, electronic record, or other
33 written confirmation to the sender identifying the entity as
34 the provider of money transmission in the transaction; and

35 (c) Bears sole responsibility to satisfy the
36 outstanding money transmission obligation to the sender,
37 including the obligation to make the sender whole in
38 connection with any failure to transmit the funds to the
39 sender's designated recipient;

40 (4) The United States or a department, agency, or
41 instrumentality thereof, or its agent;

42 (5) Money transmission by the United States Postal
43 Service or by an agent of the United States Postal Service;

44 (6) A state, county, city, or any other governmental
45 agency or governmental subdivision or instrumentality of a
46 state, or its agent;

47 (7) A federally insured depository financial
48 institution; bank holding company; office of an
49 international banking corporation; foreign bank that
50 establishes a federal branch under the International Bank
51 Act, 12 U.S.C. Section 3102, as amended or recodified from
52 time to time; corporation organized under the Bank Service
53 Corporation Act, 12 U.S.C. Sections 1861-1867, as amended or
54 recodified from time to time; or corporation organized under

55 the Edge Act, 12 U.S.C. Sections 611-633, as amended or
56 recodified from time to time, under the laws of a state or
57 the United States;

58 (8) Electronic funds transfer of governmental benefits
59 for a federal, state, county, or governmental agency by a
60 contractor on behalf of the United States or a department,
61 agency, or instrumentality thereof, or on behalf of a state
62 or governmental subdivision, agency, or instrumentality
63 thereof;

64 (9) A board of trade designated as a contract market
65 under the federal Commodity Exchange Act, 7 U.S.C. Sections
66 1-25, as amended or recodified from time to time, or a
67 person that, in the ordinary course of business, provides
68 clearance and settlement services for a board of trade to
69 the extent of its operation as or for such a board;

70 (10) A registered futures commission merchant under
71 the federal commodities laws to the extent of its operation
72 as such a merchant;

73 (11) A person registered as a securities broker-dealer
74 under federal or state securities laws to the extent of its
75 operation as such a broker-dealer;

76 (12) An individual employed by a licensee, authorized
77 delegate, or any person exempted from the licensing
78 requirements under sections 361.900 to 361.1035 if acting
79 within the scope of employment and under the supervision of
80 the licensee, authorized delegate, or exempted person as an
81 employee and not as an independent contractor;

82 (13) A person expressly appointed as a third-party
83 service provider to or agent of an entity exempt under
84 subdivision (7) of this section solely to the extent that:

85 (a) Such service provider or agent is engaging in
86 money transmission on behalf of and under a written

87 agreement with the exempt entity that sets forth the
88 specific functions that the service provider or agent is to
89 perform; and

90 (b) The exempt entity assumes all risk of loss and all
91 legal responsibility for satisfying the outstanding money
92 transmission obligations owed to purchasers and holders of
93 the outstanding money transmission obligations upon receipt
94 of the purchaser's or holder's money or monetary value by
95 the service provider or agent.

361.912. The director may require that any person
2 claiming to be exempt from licensing under section 361.909
3 provide information and documentation to the director
4 demonstrating that the person qualifies for any claimed
5 exemption.

361.915. 1. In order to carry out the purposes of
2 sections 361.900 to 361.1035, the director may, subject to
3 the provisions of subsections 1 and 2 of section 361.918:

4 (1) Enter into agreements or relationships with other
5 government officials or federal and state regulatory
6 agencies and regulatory associations in order to improve
7 efficiencies and reduce regulatory burden by standardizing
8 methods or procedures, and sharing resources, records, or
9 related information obtained under sections 361.900 to
10 361.1035;

11 (2) Use, hire, contract, or employ analytical systems,
12 methods, or software to examine or investigate any person
13 subject to sections 361.900 to 361.1035;

14 (3) Accept, from other state or federal government
15 agencies or officials, licensing, examination, or
16 investigation reports made by such other state or federal
17 government agencies or officials; and

18 (4) Accept audit reports made by an independent
19 certified public accountant or other qualified third-party
20 auditor for an applicant or licensee and incorporate the
21 audit report in any report of examination or investigation.

22 2. The director shall have the broad administrative
23 authority to:

24 (1) Administer, interpret, and enforce sections
25 361.900 to 361.1035 and promulgate rules or regulations
26 implementing sections 361.900 to 361.1035; and

27 (2) Recover the cost of administering and enforcing
28 sections 361.900 to 361.1035 by imposing and collecting
29 proportionate and equitable fees and costs associated with
30 applications, examinations, investigations, and other
31 actions required to achieve the purpose of sections 361.900
32 to 361.1035.

33 3. The director shall promulgate all necessary rules
34 and regulations for the administration of sections 361.900
35 to 361.1035. Any rule or portion of a rule, as that term is
36 defined in section 536.010, that is created under the
37 authority delegated in this section shall become effective
38 only if it complies with and is subject to all of the
39 provisions of chapter 536 and, if applicable, section
40 536.028. This section and chapter 536 are nonseverable and
41 if any of the powers vested with the general assembly
42 pursuant to chapter 536 to review, to delay the effective
43 date, or to disapprove and annul a rule are subsequently
44 held unconstitutional, then the grant of rulemaking
45 authority and any rule proposed or adopted after August 28,
46 2024, shall be invalid and void.

 361.918. 1. Except as otherwise provided in
2 subsection 2 of this section, all information or reports
3 obtained by the director from an applicant, licensee, or

4 authorized delegate and all information contained in or
5 related to an examination, investigation, operating report,
6 or condition report prepared by, on behalf of, or for the
7 use of the director, or financial statements, balance
8 sheets, or authorized delegate information, shall be
9 confidential and held in accordance with section 361.080.

10 2. The director may disclose information not otherwise
11 subject to disclosure under subsection 1 of this section to
12 representatives of state or federal agencies who shall
13 confirm in writing that they will maintain the
14 confidentiality of the information.

15 3. This section does not prohibit the director from
16 disclosing to the public a list of all licensees or the
17 aggregated financial or transactional data concerning those
18 licensees.

361.921. 1. The director may conduct an examination
2 or investigation of a licensee or authorized delegate or
3 otherwise take independent action authorized by sections
4 361.900 to 361.1035 or by a rule adopted or order issued
5 under sections 361.900 to 361.1035 as reasonably necessary
6 or appropriate to administer and enforce sections 361.900 to
7 361.1035, regulations implementing sections 361.900 to
8 361.1035, and other applicable law, including the Bank
9 Secrecy Act and the USA PATRIOT Act. The director may:

10 (1) Conduct an examination either onsite or offsite as
11 the director may reasonably require;

12 (2) Conduct an examination in conjunction with an
13 examination conducted by representatives of other state
14 agencies or agencies of another state or of the federal
15 government;

16 (3) Accept the examination report of another state
17 agency or an agency of another state or of the federal

18 government, or a report prepared by an independent
19 accounting firm, which on being accepted is considered for
20 all purposes as an official report of the director; and

21 (4) Summon and examine under oath a key individual or
22 employee of a licensee or authorized delegate and require
23 the person to produce records regarding any matter related
24 to the condition and business of the licensee or authorized
25 delegate.

26 2. A licensee or authorized delegate shall provide,
27 and the director shall have full and complete access to, all
28 records the director may reasonably require to conduct a
29 complete examination. The records shall be provided at the
30 location and in the format specified by the director. The
31 director may utilize multistate record production standards
32 and examination procedures if such standards and procedures
33 will reasonably achieve the requirements of this subsection.

34 3. Unless otherwise directed by the director, a
35 licensee shall pay all costs reasonably incurred in
36 connection with an examination of the licensee or the
37 licensee's authorized delegates.

361.924. 1. To efficiently and effectively administer
2 and enforce sections 361.900 to 361.1035 and to minimize
3 regulatory burden, the director is authorized to participate
4 in multistate supervisory processes established between
5 states or coordinated through the Conference of State Bank
6 Supervisors, Money Transmitter Regulators Association, and
7 affiliates and successors thereof for all licensees that
8 hold licenses in this state and other states. As a
9 participant in multistate supervision, the director may:

10 (1) Cooperate, coordinate, and share information with
11 other state and federal regulators in accordance with
12 section 361.918;

13 (2) Enter into written cooperation, coordination, or
14 information-sharing contracts or agreements with
15 organizations the membership of which is made up of state or
16 federal governmental agencies; and

17 (3) Cooperate, coordinate, and share information with
18 organizations the membership of which is made up of state or
19 federal governmental agencies, provided that the
20 organizations agree in writing to maintain the
21 confidentiality and security of the shared information in
22 accordance with this section.

23 2. The director shall not waive and nothing in this
24 section constitutes a waiver of the director's authority to
25 conduct an examination or investigation or otherwise take
26 independent action authorized by sections 361.900 to
27 361.1035 or a rule adopted or order issued under sections
28 361.900 to 361.1035 to enforce compliance with applicable
29 state or federal law.

30 3. A joint examination or investigation, or acceptance
31 of an examination or investigation report, does not waive an
32 examination assessment provided for in sections 361.900 to
33 361.1035.

361.927. 1. In the event state money transmission
2 jurisdiction is conditioned on a federal law, any
3 inconsistencies between a provision of sections 361.900 to
4 361.1035 and the federal law governing money transmission
5 shall be governed by the applicable federal law to the
6 extent of the inconsistency.

7 2. In the event of any inconsistencies between
8 sections 361.900 to 361.1035 and a federal law that governs
9 under subsection 1 of this section, the director may provide
10 interpretive guidance that:

11 (1) Identifies the inconsistency; and

12 (2) Identifies the appropriate means of compliance
13 with federal law.

 361.930. 1. A person shall not engage in the business
2 of money transmission or advertise, solicit, or hold itself
3 out as providing money transmission unless the person is
4 licensed under sections 361.900 to 361.1035.

5 2. Subsection 1 of this section shall not apply to:

6 (1) A person that is an authorized delegate of a
7 person licensed under sections 361.900 to 361.1035 acting
8 within the scope of authority conferred by a written
9 contract with the licensee; or

10 (2) A person that is exempt under section 361.909 and
11 does not engage in money transmission outside the scope of
12 such exemption.

13 3. A license issued under section 361.942 shall not be
14 transferable or assignable.

 361.933. 1. To establish consistent licensing between
2 this state and other states, the director is authorized to:

3 (1) Implement the licensing provisions of sections
4 361.900 to 361.1035 in a manner that is consistent with
5 other states that have adopted the money transmission
6 modernizations act or multistate licensing processes; and

7 (2) Participate in nationwide protocols for licensing
8 cooperation and coordination among state regulators,
9 provided that such protocols are consistent with sections
10 361.900 to 361.1035.

11 2. In order to fulfill the purposes of sections
12 361.900 to 361.1035, the director is authorized to establish
13 relationships or contracts with NMLS, or other entities
14 designated by NMLS or other third parties to enable the
15 director to:

16 (1) Collect and maintain records;

17 (2) Coordinate multistate licensing processes and
18 supervision processes;

19 (3) Process fees; and

20 (4) Facilitate communication between this state and
21 licensees or other persons subject to sections 361.900 to
22 361.1035.

23 3. The director is authorized to utilize NMLS for all
24 aspects of licensing in accordance with sections 361.900 to
25 361.1035 including, but not limited to, license
26 applications, applications for acquisitions of control,
27 surety bonds, reporting, criminal history background checks,
28 credit checks, fee processing, and examinations.

29 4. The director is authorized to utilize NMLS forms,
30 processes, and functionalities in accordance with sections
31 361.900 to 361.1035.

32 5. (1) The director is authorized to establish and
33 adopt, by rule or regulation, requirements for participation
34 by applicants and licensees in NMLS upon the division of
35 finance's determination that each requirement is consistent
36 with law, public interest, and the purposes of this section.

37 (2) Any rule or portion of a rule, as that term is
38 defined in section 536.010, that is created under the
39 authority delegated in this section shall become effective
40 only if it complies with and is subject to all of the
41 provisions of chapter 536 and, if applicable, section
42 536.028. This section and chapter 536 are nonseverable and
43 if any of the powers vested with the general assembly
44 pursuant to chapter 536 to review, to delay the effective
45 date, or to disapprove and annul a rule are subsequently
46 held unconstitutional, then the grant of rulemaking
47 authority and any rule proposed or adopted after August 28,
48 2024, shall be invalid and void.

361.936. 1. Applicants for a license shall apply in a form and in a medium as prescribed by the director. Each such form shall contain content as set forth by rule, regulation, instruction, or procedure of the director and may be changed or updated by the director in accordance with applicable law in order to carry out the purposes of sections 361.900 to 361.1035 and maintain consistency with licensing standards and practices. The application shall state or contain, as applicable:

(1) The legal name and residential and business addresses of the applicant and any fictitious or trade name used by the applicant in conducting its business;

(2) Whether the applicant has been convicted of, or pled guilty or nolo contendere to, a felony involving an act of fraud, dishonesty, a breach of trust, or money laundering;

(3) A description of any money transmission previously provided by the applicant and the money transmission that the applicant seeks to provide in this state;

(4) A list of the applicant's proposed authorized delegates and the locations in this state where the applicant and its authorized delegates propose to engage in money transmission;

(5) A list of other states in which the applicant is licensed to engage in money transmission and any license revocations, suspensions, or other disciplinary action taken against the applicant in another state;

(6) Information concerning any bankruptcy or receivership proceedings affecting the licensee or a person in control of a licensee;

(7) A sample form of contract for authorized delegates, if applicable;

32 (8) A sample form of payment instrument or stored
33 value, as applicable;

34 (9) The name and address of any federally insured
35 depository financial institution through which the applicant
36 plans to conduct money transmission;

37 (10) A list of any material litigation in which the
38 applicant has been involved in the ten-year period next
39 preceding the submission of the application; and

40 (11) Any other information the director reasonably
41 requires with respect to the applicant.

42 2. If an applicant is a corporation, limited liability
43 company, partnership, or other legal entity, the applicant
44 shall also provide:

45 (1) The date of the applicant's incorporation or
46 formation and state or country of incorporation or formation;

47 (2) If applicable, a certificate of good standing from
48 the state or country in which the applicant is incorporated
49 or formed;

50 (3) A brief description of the structure or
51 organization of the applicant, including any parents or
52 subsidiaries of the applicant, and whether any parents or
53 subsidiaries are publicly traded;

54 (4) The legal name, any fictitious or trade name, all
55 business and residential addresses, and the employment, as
56 applicable, in the ten-year period next preceding the
57 submission of the application of each key individual and
58 person in control of the applicant;

59 (5) Whether they have been convicted of, or pled
60 guilty or nolo contendere to, a felony involving an act of
61 fraud, dishonesty, a breach of trust, or money laundering;

62 (6) A copy of audited financial statements of the
63 applicant for the most recent fiscal year and for the two-

64 year period next preceding the submission of the application
65 or, if determined to be acceptable to the director,
66 certified unaudited financial statements for the most recent
67 fiscal year or other period acceptable to the director;

68 (7) A certified copy of unaudited financial statements
69 of the applicant for the most recent fiscal quarter;

70 (8) If the applicant is a publicly traded corporation,
71 a copy of the most recent report filed with the United
72 States Securities and Exchange Commission under Section 13
73 of the federal Securities Exchange Act of 1934, 15 U.S.C.
74 Section 78m, as amended or recodified from time to time;

75 (9) If the applicant is a wholly owned subsidiary of:

76 (a) A corporation publicly traded in the United
77 States, a copy of audited financial statements for the
78 parent corporation for the most recent fiscal year or a copy
79 of the parent corporation's most recent report filed under
80 Section 13 of the U.S. Securities Exchange Act of 1934, 15
81 U.S.C. Section 78m, as amended or recodified from time to
82 time; or

83 (b) A corporation publicly traded outside the United
84 States, a copy of similar documentation filed with the
85 regulator of the parent corporation's domicile outside the
86 United States;

87 (10) The name and address of the applicant's
88 registered agent in this state;

89 (11) A list of any material litigation in which the
90 applicant has been involved in the ten-year period next
91 preceding the submission of the application; and

92 (12) Any other information the director reasonably
93 requires with respect to the applicant.

94 3. A nonrefundable application fee and license fee, as
95 determined by the director, shall accompany an application
96 for a license under this section.

97 4. The director may waive one or more requirements of
98 subsections 1 and 2 of this section or permit an applicant
99 to submit other information in lieu of the required
100 information.

 361.939. 1. Any individual in control of a licensee
2 or applicant, any individual that seeks to acquire control
3 of a licensee, and each key individual shall furnish to the
4 director through NMLS the following:

5 (1) The individual's fingerprints for submission to
6 the Federal Bureau of Investigation and the director for
7 purposes of a national criminal history background check
8 unless the person currently resides outside of the United
9 States and has resided outside of the United States for the
10 last ten years; and

11 (2) Personal history and experience in a form and in a
12 medium prescribed by the director, to obtain the following:

13 (a) An independent credit report from a consumer
14 reporting agency unless the individual does not have a
15 Social Security number, in which case this requirement shall
16 be waived;

17 (b) Whether they have been convicted of, or pled
18 guilty or nolo contendere to, a felony involving an act of
19 fraud, dishonesty, a breach of trust, or money laundering;
20 and

21 (c) Information related to any regulatory or
22 administrative action and any civil litigation involving
23 claims of fraud, misrepresentation, conversion,
24 mismanagement of funds, breach of fiduciary duty, or breach
25 of contract.

26 2. If the individual has resided outside of the United
27 States at any time in the last ten years, the individual
28 shall also provide an investigative background report
29 prepared by an independent search firm that meets the
30 following requirements:

31 (1) At a minimum, the search firm shall:

32 (a) Demonstrate that it has sufficient knowledge and
33 resources and employs accepted and reasonable methodologies
34 to conduct the research for the background report; and

35 (b) Not be affiliated with or have an interest with
36 the individual it is researching; and

37 (2) At a minimum, the investigative background report
38 shall be written in the English language and shall contain
39 the following:

40 (a) If available in the individual's current
41 jurisdiction of residency, a comprehensive credit report, or
42 any equivalent information obtained or generated by the
43 independent search firm to accomplish such report, including
44 a search of the court data in the countries, provinces,
45 states, cities, towns, and contiguous areas where the
46 individual resided and worked;

47 (b) Criminal records information for the past ten
48 years including, but not limited to, felonies, misdemeanors,
49 or similar convictions for violations of law in the
50 countries, provinces, states, cities, towns, and contiguous
51 areas where the individual resided and worked;

52 (c) Employment history;

53 (d) Media history, including an electronic search of
54 national and local publications, wire services, and business
55 applications; and

56 (e) Financial services-related regulatory history
57 including but not limited to, money transmission,

58 securities, banking, insurance, and mortgage-related
59 industries.

361.942. 1. If an application for an original license
2 under sections 361.900 to 361.1035 appears to include all
3 the items and addresses and all of the matters that are
4 required, the application is complete and the director shall
5 promptly notify the applicant in a record of the date on
6 which the application is determined to be complete, and:

7 (1) The director shall approve or deny the application
8 within one hundred twenty days after the completion date; or

9 (2) If the application is not approved or denied
10 within one hundred twenty days after the completion date:

11 (a) The application is approved; and

12 (b) The license takes effect as of the first business
13 day after expiration of the one-hundred-twenty-day period.

14 The director may for good cause extend the application
15 period.

16 2. A determination by the director that an application
17 is complete and is accepted for processing means only that
18 the application, on its face, appears to include all of the
19 items, including the criminal background check response from
20 the Federal Bureau of Investigation, and address all of the
21 matters that are required, and is not an assessment of the
22 substance of the application or of the sufficiency of the
23 information provided.

24 3. If an application is filed and considered complete
25 under this section, the director shall investigate the
26 applicant's financial condition and responsibility,
27 financial and business experience, character, and general
28 fitness. The director may conduct an onsite investigation
29 of the applicant, the reasonable cost of which the applicant

30 shall pay. The director shall issue a license to an
31 applicant under this section if the director finds that all
32 of the following conditions have been fulfilled:

33 (1) The applicant has complied with the provisions of
34 sections 361.936 and 361.939; and

35 (2) The financial condition and responsibility,
36 financial and business experience, competence, character,
37 and general fitness of the applicant; and the competence,
38 experience, character, and general fitness of the key
39 individuals and persons in control of the applicant indicate
40 that it is in the interest of the public to permit the
41 applicant to engage in money transmission.

42 4. If an applicant avails itself or is otherwise
43 subject to a multistate licensing process:

44 (1) The director shall be authorized to accept the
45 investigation results of a lead investigative state for the
46 purpose of subsection 3 of this section if the lead
47 investigative state has sufficient staffing, expertise, and
48 minimum standards; or

49 (2) If this state is a lead investigative state, the
50 director shall be authorized to investigate the applicant
51 under subsection 3 of this section and the time frames
52 established by agreement through the multistate licensing
53 process, provided however, that in no case shall such time
54 frame be noncompliant with the application period in
55 subdivision (1) of subsection 1 of this section.

56 5. The director shall issue a formal written notice of
57 the denial of a license application within thirty days of
58 the decision to deny the application. The director shall
59 set forth in the notice of denial the specific reasons for
60 the denial of the application. An applicant whose
61 application is denied by the director under this subsection

62 may appeal within thirty days after receipt of the written
63 notice of the denial under chapter 536.

64 6. The initial license term shall begin on the day the
65 application is approved. The license shall expire on
66 December thirty-first of the year in which the license term
67 began unless the initial license date is between November
68 first and December thirty-first, in which instance the
69 initial license term shall run through December thirty-first
70 of the following year.

 361.945. 1. A license under sections 361.900 to
2 361.1035 shall be renewed annually. An annual renewal fee,
3 to be determined by the director, shall be paid no more than
4 sixty days before the license expiration. The renewal term
5 shall be for a period of one year and shall begin on January
6 first of each year after the initial license term and shall
7 expire on December thirty-first of the year the renewal term
8 begins.

9 2. A licensee shall submit a renewal report with the
10 renewal fee, in a form and in a medium prescribed by the
11 director. The renewal report shall state or contain a
12 description of each material change in information submitted
13 by the licensee in its original license application that has
14 not been reported to the director.

15 3. The director for good cause may grant an extension
16 of the renewal date.

17 4. The director shall be authorized and encouraged to
18 utilize NMLS to process license renewals, provided that such
19 functionality is consistent with this section.

 361.948. 1. If a licensee does not continue to meet
2 the qualifications or satisfy the requirements that apply to
3 an applicant for a new money transmission license, the
4 director may suspend or revoke the licensee's license in

5 accordance with the procedures established under sections
6 361.900 to 361.1035 or other applicable state law for such
7 suspension or revocation.

8 2. An applicant for a money transmission license shall
9 demonstrate that it meets or will meet, and a money
10 transmission licensee shall at all times meet, the
11 requirements in sections 361.999, 361.1002, and 361.1005.

361.951. 1. Any person, or group of persons acting in
2 concert, seeking to acquire control of a licensee shall
3 obtain the written approval of the director prior to
4 acquiring control. An individual is not deemed to acquire
5 control of a licensee and is not subject to the acquisition
6 of control provisions if that individual becomes a key
7 individual in the ordinary course of business.

8 2. A person, or group of persons acting in concert,
9 seeking to acquire control of a licensee shall, in
10 cooperation with the licensee:

11 (1) Submit an application in a form and in a medium
12 prescribed by the director; and

13 (2) Submit a nonrefundable fee, to be determined by
14 the director, with the request for approval.

15 3. Upon request, the director may permit a licensee or
16 a person, or group of persons acting in concert, to submit
17 some or all information required by the director under
18 subdivision (1) of subsection 2 of this section without
19 using NMLS.

20 4. The application required under subdivision (1) of
21 subsection 2 of this section shall include information
22 required under section 361.939 for any new key individuals
23 that have not previously completed the requirements of
24 section 361.939 for a licensee.

25 5. When an application for acquisition of control
26 under this section appears to include all the items and
27 address all of the matters that are required, the
28 application shall be considered complete. The director
29 shall promptly notify the applicant in a record of the date
30 on which the application was determined to be complete, and:

31 (1) The director shall approve or deny the application
32 within sixty days after the completion date; or

33 (2) If the application is not approved or denied
34 within sixty days after the completion date:

35 (a) The application is approved; and

36 (b) The person, or group of persons acting in concert,
37 are not prohibited from acquiring control; and

38 (3) The director may for good cause extend the
39 application period.

40 6. A determination by the director that an application
41 is complete and is accepted for processing means only that
42 the application, on its face, appears to include all of the
43 items and address all of the matters that are required, and
44 is not an assessment of the substance of the application or
45 of the sufficiency of the information provided.

46 7. If an application is filed and considered complete
47 under subsection 5 of this section, the director shall
48 investigate the financial condition and responsibility,
49 financial and business experience, character, and general
50 fitness of the person, or group of persons acting in
51 concert, seeking to acquire control. The director shall
52 approve an acquisition of control under this section if the
53 director finds that all of the following conditions have
54 been fulfilled:

55 (1) The requirements of subsections 2 and 4 of this
56 section have been met, as applicable; and

57 (2) The financial condition and responsibility,
58 financial and business experience, competence, character,
59 and general fitness of the person, or group of persons
60 acting in concert, seeking to acquire control and the
61 competence, experience, character, and general fitness of
62 the key individuals and persons that would be in control of
63 the licensee after the acquisition of control indicate that
64 it is in the interest of the public to permit the person, or
65 group of persons acting in concert, to control the licensee.

66 8. If an applicant avails itself or is otherwise
67 subject to a multistate licensing process:

68 (1) The director is authorized to accept the
69 investigation results of a lead investigative state for the
70 purpose of subsection 7 of this section if the lead
71 investigative state has sufficient staffing, expertise, and
72 minimum standards; or

73 (2) If this state is a lead investigative state, the
74 director is authorized to investigate the applicant under
75 subsection 7 of this section and the time frames established
76 by agreement through the multistate licensing process.

77 9. The director shall issue a formal written notice of
78 the denial of an application to acquire control within
79 thirty days of the decision to deny the application. The
80 director shall set forth in the notice of denial the
81 specific reasons for the denial of the application. An
82 applicant whose application is denied by the director under
83 this subsection may appeal within thirty days after receipt
84 of the written notice of the denial under chapter 536.

85 10. The requirements of subsections 1 and 2 of this
86 section shall not apply to any of the following:

87 (1) A person that acts as a proxy for the sole purpose
88 of voting at a designated meeting of the shareholders or

89 holders of voting shares or voting interests of a licensee
90 or a person in control of a licensee;

91 (2) A person that acquires control of a licensee by
92 devise or descent;

93 (3) A person that acquires control of a licensee as a
94 personal representative, custodian, guardian, conservator,
95 or trustee, or as an officer appointed by a court of
96 competent jurisdiction or by operation of law;

97 (4) A person that is exempt under subdivision (7) of
98 section 361.909;

99 (5) A person that the director determines is not
100 subject to subsection 1 of this section based on the public
101 interest;

102 (6) A public offering of securities of a licensee or a
103 person in control of a licensee; or

104 (7) An internal reorganization of a person in control
105 of the licensee where the ultimate person in control of the
106 licensee remains the same.

107 11. Persons in subdivisions (2), (3), (4), (6), and
108 (7) of subsection 10 of this section in cooperation with the
109 licensee shall notify the director within fifteen days after
110 the acquisition of control.

111 12. (1) The requirements of subsections 1 and 2 of
112 this section shall not apply to a person that has complied
113 with and received approval to engage in money transmission
114 under sections 361.900 to 361.1035 or was identified as a
115 person in control in a prior application filed with and
116 approved by the director or by another state under a
117 multistate licensing process, provided that:

118 (a) The person has not had a license revoked or
119 suspended or controlled a licensee that has had a license

120 revoked or suspended while the person was in control of the
121 licensee in the previous five years;

122 (b) If the person is a licensee, the person is well
123 managed and has received at least a satisfactory rating for
124 compliance at its most recent examination by another state
125 if such rating was given;

126 (c) The licensee to be acquired is projected to meet
127 the requirements of sections 361.999, 361.1002, and 361.1005
128 after the acquisition of control is completed, and if the
129 person acquiring control is a licensee, that licensee is
130 also projected to meet the requirements of sections 361.999,
131 361.1002, and 361.1005 after the acquisition of control is
132 completed;

133 (d) The licensee to be acquired will not implement any
134 material changes to its business plan as a result of the
135 acquisition of control, and if the person acquiring control
136 is a licensee, that licensee also will not implement any
137 material changes to its business plan as a result of the
138 acquisition of control; and

139 (e) The person provides notice of the acquisition in
140 cooperation with the licensee and attests to paragraphs (a)
141 to (d) of this subdivision in a form and in a medium
142 prescribed by the director.

143 (2) If the notice is not disapproved within thirty
144 days after the date on which the notice was determined to be
145 complete, the notice is deemed approved.

146 13. Before filing an application for approval to
147 acquire control of a licensee, a person may request in
148 writing a determination from the director as to whether the
149 person would be considered a person in control of a licensee
150 upon consummation of a proposed transaction. If the
151 director determines that the person would not be a person in

152 control of a licensee, the proposed person and transaction
153 is not subject to the requirements of subsections 1 and 2 of
154 this section.

155 14. If a multistate licensing process includes a
156 determination under subsection 13 of this section and an
157 applicant avails itself or is otherwise subject to the
158 multistate licensing process:

159 (1) The director is authorized to accept the control
160 determination of a lead investigative state with sufficient
161 staffing, expertise, and minimum standards for the purpose
162 of subsection 13 of this section; or

163 (2) If this state is a lead investigative state, the
164 director is authorized to investigate the applicant under
165 subsection 13 of this section and the time frames
166 established by agreement through the multistate licensing
167 process.

361.954. 1. A licensee adding or replacing any key
2 individual shall:

3 (1) Provide notice in a manner prescribed by the
4 director within fifteen days after the effective date of the
5 key individual's appointment; and

6 (2) Provide information as required by section 361.939
7 within forty-five days of the effective date.

8 2. Within ninety days of the date on which the notice
9 provided under subsection 1 of this section was determined
10 to be complete, the director may issue a notice of
11 disapproval of a key individual if the competence,
12 experience, character, or integrity of the individual would
13 not be in the best interests of the public or the customers
14 of the licensee to permit the individual to be a key
15 individual of such licensee.

16 3. A notice of disapproval shall contain a statement
17 of the basis for disapproval and shall be sent to the
18 licensee and the disapproved individual. A licensee may
19 appeal a notice of disapproval under chapter 536 within
20 thirty days after receipt of such notice of disapproval.

21 4. If the notice provided under subsection 1 of this
22 section is not disapproved within ninety days after the date
23 on which the notice was determined to be complete, the key
24 individual is deemed approved.

25 5. If a multistate licensing process includes a key
26 individual notice review and disapproval process under this
27 section and the licensee avails itself or is otherwise
28 subject to the multistate licensing process:

29 (1) The director is authorized to accept the
30 determination of another state if the investigating state
31 has sufficient staffing, expertise, and minimum standards
32 for the purpose of this section; or

33 (2) If this state is a lead investigative state, the
34 director is authorized to investigate the applicant under
35 subsection 2 of this section and the time frames established
36 by agreement through the multistate licensing process.

 361.957. 1. Each licensee shall submit a report of
2 condition within forty days of the end of the calendar
3 quarter or within any extended time as the director may
4 prescribe.

5 2. The report of condition shall include:

6 (1) Financial information at the licensee level;

7 (2) Nationwide and state-specific money transmission
8 transaction information in every jurisdiction in the United
9 States where the licensee is licensed to engage in money
10 transmission;

11 (3) Permissible investments report;

12 (4) Transaction destination country reporting for
13 money received for transmission, if applicable; and

14 (5) Any other information the director reasonably
15 requires with respect to the licensee. The director is
16 authorized to utilize NMLS for the submission of the report
17 required by subsection 1 of this section and is authorized
18 to update as necessary the requirements of this section to
19 carry out the purposes of sections 361.900 to 361.1035 and
20 maintain consistency with NMLS reporting.

21 3. The information required under subdivision (4) of
22 subsection 2 of this section shall be included only in a
23 report of condition submitted within forty-five days of the
24 end of the fourth calendar quarter.

 361.960. 1. Each licensee shall, within ninety days
2 after the end of each fiscal year or within any extended
3 time as the director may prescribe, file with the director:

4 (1) An audited financial statement of the licensee for
5 the fiscal year prepared in accordance with United States
6 generally accepted accounting principles; and

7 (2) Any other information as the director may
8 reasonably require.

9 2. The audited financial statement shall be prepared
10 by an independent certified public accountant or independent
11 public accountant who is satisfactory to the director.

12 3. The audited financial statements shall include or
13 be accompanied by a certificate of opinion of the
14 independent certified public accountant or independent
15 public accountant that is satisfactory in form and content
16 to the director. If the certificate or opinion is
17 qualified, the director may order the licensee to take any
18 action as the director may find necessary to enable the

19 independent certified public accountant or independent
20 public accountant to remove the qualification.

361.963. 1. Each licensee shall submit a report of
2 authorized delegates within forty-five days of the end of
3 the calendar quarter. The director is authorized to utilize
4 NMLS for the submission of the report required under this
5 section, provided that such functionality is consistent with
6 the requirements of this section.

7 2. The authorized delegate report shall include, at a
8 minimum, each authorized delegate's:

- 9 (1) Company legal name;
- 10 (2) Taxpayer employer identification number;
- 11 (3) Principal provider identifier;
- 12 (4) Physical address, if any;
- 13 (5) Mailing address;
- 14 (6) Any business conducted in other states;
- 15 (7) Any fictitious or trade name;
- 16 (8) Contact person name, phone number, and email;
- 17 (9) Start date as licensee's authorized delegate;
- 18 (10) End date acting as licensee's authorized
19 delegate, if applicable; and
- 20 (11) Any other information the director reasonably
21 requires with respect to the authorized delegate.

361.966. 1. A licensee shall file a report with the
2 director within one business day after the licensee has
3 reason to know of the occurrence of any of the following
4 events:

- 5 (1) The filing of a petition by or against the
6 licensee under the United States Bankruptcy Code, 11 U.S.C.
7 Section 101-110, as amended or recodified from time to time,
8 for bankruptcy or reorganization;

9 (2) The filing of a petition by or against the
10 licensee for receivership, the commencement of any other
11 judicial or administrative proceeding for its dissolution or
12 reorganization, or the making of a general assignment for
13 the benefit of its creditors; or

14 (3) The commencement of a proceeding to revoke or
15 suspend its license in a state or country in which the
16 licensee engages in business or is licensed.

17 2. A licensee shall notify the director within three
18 business days after the licensee has reason to know that:

19 (1) The licensee or a key individual or person in
20 control of the licensee, has been convicted of, or pled
21 guilty or nolo contendere to a felony involving an act of
22 fraud, dishonesty, a breach of trust, or money laundering; or

23 (2) An authorized delegate has been convicted of, or
24 pled guilty or nolo contendere to, a felony involving an act
25 of fraud, dishonesty, a breach of trust, or money laundering.

 361.969. A licensee and an authorized delegate shall
2 file all reports required by federal currency reporting,
3 record keeping, and suspicious activity reporting
4 requirements as set forth in the Bank Secrecy Act and other
5 federal and state laws pertaining to money laundering. The
6 timely filing of a complete and accurate report required
7 under this section with the appropriate federal agency is
8 deemed compliant with the requirements of this section.

 361.972. 1. A licensee shall maintain the following
2 records for determining its compliance with sections 361.900
3 to 361.1035 for at least three years:

4 (1) A record of each outstanding money transmission
5 obligation sold;

6 (2) A general ledger posted at least monthly
7 containing all asset, liability, capital, income, and
8 expense accounts;

9 (3) Bank statements and bank reconciliation records;

10 (4) Records of outstanding money transmission
11 obligations;

12 (5) Records of each outstanding money transmission
13 obligation paid within the three-year period;

14 (6) A list of the last known names and addresses of
15 all of the licensee's authorized delegates; and

16 (7) Any other records the director reasonably requires
17 by rule.

18 2. The items specified in subsection 1 of this section
19 may be maintained in any form of record.

20 3. Records specified in subsection 1 of this section
21 may be maintained outside this state if the records are made
22 accessible to the director on seven business days' notice
23 that is sent in a record.

24 4. All records maintained by the licensee as required
25 in subsections 1 to 3 of this section are open to inspection
26 by the director under subsection 1 of section 361.921.

361.975. 1. As used in this section, "remit" means to
2 make direct payments of money to a licensee or its
3 representative authorized to receive money or to deposit
4 money in a bank in an account specified by the licensee.

5 2. Before a licensee is authorized to conduct business
6 through an authorized delegate, or allows a person to act as
7 the licensee's authorized delegate, the licensee shall:

8 (1) Adopt, and update as necessary, written policies
9 and procedures reasonably designed to ensure that the
10 licensee's authorized delegates comply with applicable state
11 and federal law;

12 (2) Enter into a written contract that complies with
13 subsection 4 of this section; and

14 (3) Conduct a reasonable risk-based background
15 investigation sufficient for the licensee to determine
16 whether the authorized delegate has complied and will likely
17 comply with applicable state and federal law.

18 3. An authorized delegate shall operate in full
19 compliance with sections 361.900 to 361.1035.

20 4. The written contract required under subsection 2 of
21 this section shall be signed by the licensee and the
22 authorized delegate and, at a minimum, shall:

23 (1) Appoint the person signing the contract as the
24 licensee's authorized delegate with the authority to conduct
25 money transmission on behalf of the licensee;

26 (2) Set forth the nature and scope of the relationship
27 between the licensee and the authorized delegate and the
28 respective rights and responsibilities of the parties;

29 (3) Require the authorized delegate to agree to fully
30 comply with all applicable state and federal laws, rules,
31 and regulations pertaining to money transmission, including
32 sections 361.900 to 361.1035 and regulations implementing
33 sections 361.900 to 361.1035, relevant provisions of the
34 Bank Secrecy Act, and the USA PATRIOT Act;

35 (4) Require the authorized delegate to remit and
36 handle money and monetary value in accordance with the terms
37 of the contract between the licensee and the authorized
38 delegate;

39 (5) Impose a trust on money and monetary value net of
40 fees received for money transmission for the benefit of the
41 licensee;

42 (6) Require the authorized delegate to prepare and
43 maintain records as required by sections 361.900 to 361.1035

44 or regulations implementing sections 361.900 to 361.1035, or
45 as reasonably requested by the director;

46 (7) Acknowledge that the authorized delegate consents
47 to examination or investigation by the director;

48 (8) State that the licensee is subject to regulation
49 by the director and that, as part of that regulation, the
50 director may suspend or revoke an authorized delegate
51 designation or require the licensee to terminate an
52 authorized delegate designation; and

53 (9) Acknowledge receipt of the written policies and
54 procedures required under subdivision (1) of subsection 1 of
55 this section.

56 5. If the licensee's license is suspended, revoked,
57 surrendered, or expired, the licensee shall, within five
58 business days, provide documentation to the director that
59 the licensee has notified all applicable authorized
60 delegates of the licensee whose names are in a record filed
61 with the directors of the suspension, revocation, surrender,
62 or expiration of a license. Upon suspension, revocation,
63 surrender, or expiration of a license, applicable authorized
64 delegates shall immediately cease to provide money
65 transmission as an authorized delegate of the licensee.

66 6. An authorized delegate of a licensee holds in trust
67 for the benefit of the licensee all money net of fees
68 received from money transmission. If any authorized
69 delegate commingles any funds received from money
70 transmission with any other funds or property owned or
71 controlled by the authorized delegate, all commingled funds
72 and other property shall be considered held in trust in
73 favor of the licensee in an amount equal to the amount of
74 money net of fees received from money transmission.

75 7. An authorized delegate shall not use a subdelegate
76 to conduct money transmission on behalf of a licensee.

 361.978. A person shall not engage in the business of
2 money transmission on behalf of a person not licensed under
3 sections 361.900 to 361.1035 or not exempt under sections
4 361.909 and 361.912. A person that engages in such activity
5 provides money transmission to the same extent as if the
6 person were a licensee and shall be jointly and severally
7 liable with the unlicensed or nonexempt person.

 361.981. 1. The circuit court in an action brought by
2 a licensee shall have jurisdiction to grant appropriate
3 equitable or legal relief, including without limitation
4 prohibiting the authorized delegate from directly or
5 indirectly acting as an authorized delegate for any licensee
6 in this state and the payment of restitution, damages, or
7 other monetary relief, if the circuit court finds that an
8 authorized delegate failed to remit money in accordance with
9 the written contract required by subsection 2 of section
10 361.1275 or as otherwise directed by the licensee or
11 required by law.

12 2. If the circuit court issues an order prohibiting a
13 person from acting as an authorized delegate for any
14 licensee under subsection 1 of this section, the licensee
15 that brought the action shall report the order to the
16 director within thirty days and shall report the order
17 through NMLS within ninety days.

18 3. An authorized delegate who holds money in trust for
19 the benefit of a licensee and knowingly fails to remit more
20 than one thousand dollars of such money is guilty of a class
21 E felony.

22 4. An authorized delegate who holds money in trust for
23 the benefit of a licensee and knowingly fails to remit no

24 more than one thousand dollars of such money is guilty of a
25 class A misdemeanor.

361.984. 1. Every licensee shall forward all money
2 received for transmission in accordance with the terms of
3 the agreement between the licensee and the sender unless the
4 licensee has a reasonable belief or a reasonable basis to
5 believe that the sender may be a victim of fraud or that a
6 crime or violation of law, rule, or regulation has occurred,
7 is occurring, or may occur.

8 2. If a licensee fails to forward money received for
9 transmission in accordance with this section, the licensee
10 shall respond to inquiries by the sender with the reason for
11 the failure unless providing a response would violate a
12 state or federal law, rule, or regulation.

361.987. 1. This section shall not apply to:

2 (1) Money received for transmission subject to the
3 federal Remittance Rule, 12 CFR Part 1005, Subpart B, as
4 amended or recodified from time to time; or

5 (2) Money received for transmission under a written
6 agreement between the licensee and payee to process payments
7 for goods or services provided by the payee.

8 2. Every licensee shall refund to the sender, within
9 ten days of receipt of the sender's written request for a
10 refund, any and all money received for transmission unless
11 any of the following occurs:

12 (1) The money has been forwarded within ten days of
13 the date on which the money was received for transmission;

14 (2) Instructions have been given committing an
15 equivalent amount of money to the person designated by the
16 sender within ten days of the date on which the money was
17 received for transmission;

18 (3) The agreement between the licensee and the sender
19 instructs the licensee to forward the money at a time that
20 is beyond ten days of the date on which the money was
21 received for transmission. If funds have not yet been
22 forwarded in accordance with the terms of the agreement
23 between the licensee and the sender, the licensee shall
24 issue a refund in accordance with the other provisions of
25 this section;

26 (4) The refund is requested for a transaction that the
27 licensee has not completed based on a reasonable belief or a
28 reasonable basis to believe that a crime or violation of
29 law, rule, or regulation has occurred, is occurring, or may
30 occur; or

31 (5) The refund request does not enable the licensee to:

32 (a) Identify the sender's name and address or
33 telephone number; or

34 (b) Identify the particular transaction to be refunded
35 in the event the sender has multiple transactions
36 outstanding.

361.990. 1. This section shall not apply to:

2 (1) Money received for transmission subject to the
3 federal Remittance Rule, 12 CFR Part 1005, Subpart B, as
4 amended or recodified from time to time;

5 (2) Money received for transmission that is not
6 primarily for personal, family, or household purposes;

7 (3) Money received for transmission under a written
8 agreement between the licensee and payee to process payments
9 for goods or services provided by the payee; or

10 (4) Payroll processing services.

11 2. For purposes of this section, "receipt" means a
12 paper receipt, electronic record, or other written
13 confirmation. For a transaction conducted in person, the

14 receipt may be provided electronically if the sender
15 requests or agrees to receive an electronic receipt. For a
16 transaction conducted electronically or by phone, a receipt
17 may be provided electronically. All electronic receipts
18 shall be provided in a retainable form.

19 3. (1) Every licensee or its authorized delegate
20 shall provide the sender a receipt for money received for
21 transmission. The receipt shall contain the following
22 information, as applicable:

- 23 (a) The name of the sender;
- 24 (b) The name of the designated recipient;
- 25 (c) The date of the transaction;
- 26 (d) The unique transaction or identification number;
- 27 (e) The name of the licensee, NMLS unique identifier,
28 the licensee's business address, and the licensee's customer
29 service telephone number;
- 30 (f) The amount of the transaction in United States
31 dollars;
- 32 (g) Any fee charged by the licensee to the sender for
33 the transaction; and
- 34 (h) Any taxes collected by the licensee from the
35 sender for the transaction.

36 (2) The receipt required by this section shall be in
37 English and in the language principally used by the licensee
38 or authorized delegate to advertise, solicit, or negotiate,
39 either orally or in writing, for a transaction conducted in
40 person, electronically, or by phone, if other than English.

361.996. 1. A licensee that provides payroll
2 processing services shall:

- 3 (1) Issue reports to clients detailing client payroll
4 obligations in advance of the payroll funds being deducted
5 from an account; and

6 (2) Make available worker paystubs or an equivalent
7 statement to workers.

8 2. Subsection 1 of this section shall not apply to a
9 licensee providing payroll processing services if the
10 licensee's client designates the intended recipients to the
11 licensee and is responsible for providing the disclosures
12 required by subdivision (2) of subsection 1 of this section.

13 3. A licensee may appoint an agent to provide payroll
14 processing services for which the agent would otherwise need
15 to be licensed, provided that:

16 (1) There is a written agreement between the licensee
17 and the agent that directs the agent to provide payroll
18 processing services on the licensee's behalf;

19 (2) The licensee holds the agent out to employees and
20 other licensees as providing payroll processing services on
21 the licensee's behalf; and

22 (3) The licensee's obligation to the payee, including
23 an employee or any other party entitled to receive funds,
24 from the payroll processing services provided by the agent
25 shall not be extinguished if the agent fails to remit the
26 funds to the proper recipient.

 361.999. 1. A licensee under sections 361.900 to
2 361.1035 shall maintain at all times a tangible net worth of
3 the greater of one hundred thousand dollars or three percent
4 of total assets for the first one hundred million dollars,
5 two percent of additional assets for one hundred million
6 dollars to one billion dollars, and one-half of one percent
7 of additional assets for over one billion dollars.

8 2. Tangible net worth shall be demonstrated at initial
9 application by the applicant's most recent audited or
10 unaudited financial statements under subdivision (6) of
11 subsection 2 of section 361.936.

12 3. Notwithstanding the provisions of this section, the
13 director shall have the authority, for good cause shown, to
14 exempt, in part or in whole, from the requirements of this
15 section any applicant or licensee.

 361.1002. 1. An applicant for a money transmission
2 license shall provide, and a licensee at all times shall
3 maintain, security consisting of a surety bond in a form
4 satisfactory to the director.

5 2. The amount of the required security shall be:

6 (1) The greater of one hundred thousand dollars or an
7 amount equal to one hundred percent of the licensee's
8 average daily money transmission liability in this state
9 calculated for the most recently completed three-month
10 period, up to a maximum of five hundred thousand dollars; or

11 (2) In the event that the licensee's tangible net
12 worth exceeds ten percent of the total assets, a surety bond
13 of one hundred thousand dollars.

14 3. A licensee that maintains a bond in the maximum
15 amount provided for in subsection 2 of this section shall
16 not be required to calculate its average daily money
17 transmission liability in this state for purposes of this
18 section.

 361.1005. 1. A licensee shall maintain at all times
2 permissible investments that have a market value computed in
3 accordance with United States generally accepted accounting
4 principles of not less than the aggregate amount of all of
5 its outstanding money transmission obligations.

6 2. Except for permissible investments enumerated in
7 subsection 1 of section 361.1008, the director, with respect
8 to any licensee, may by rule limit the extent to which a
9 specific investment maintained by a licensee within a class
10 of permissible investments may be considered a permissible

11 investment if the specific investment represents undue risk
12 to customers not reflected in the market value of
13 investments.

14 3. Permissible investments, even if commingled with
15 other assets of the licensee, are held in trust for the
16 benefit of the purchasers and holders of the licensee's
17 outstanding money transmission obligations in the event of
18 insolvency, the filing of a petition by or against the
19 licensee under the United States Bankruptcy Code, 11 U.S.C.
20 Section 101-110, as amended or recodified from time to time,
21 for bankruptcy or reorganization, the filing of a petition
22 by or against the licensee for receivership, the
23 commencement of any other judicial or administrative
24 proceeding for its dissolution or reorganization, or in the
25 event of an action by a creditor against the licensee who is
26 not a beneficiary of the statutory trust. No permissible
27 investments impressed with a trust under this subsection
28 shall be subject to attachment, levy of execution, or
29 sequestration by order of any court, except for a
30 beneficiary of the statutory trust.

31 4. Upon the establishment of a statutory trust in
32 accordance with subsection 3 of this section or when any
33 funds are drawn on a letter of credit under subdivision (4)
34 of subsection 1 of section 361.1008, the director shall
35 notify the applicable regulator of each state in which the
36 licensee is licensed to engage in money transmission, if
37 any, of the establishment of the trust or the funds drawn on
38 the letter of credit, as applicable. Notice shall be deemed
39 satisfied if performed under a multistate agreement or
40 through NMLS. Funds drawn on a letter of credit, and any
41 other permissible investments held in trust for the benefit
42 of the purchasers and holders of the licensee's outstanding

43 money transmission obligations, are deemed held in trust for
44 the benefit of such purchasers and holders on a pro rata and
45 equitable basis in accordance with statutes under which
46 permissible investments are required to be held in this
47 state, and other states, as applicable. Any statutory trust
48 established under this subsection shall be terminated upon
49 extinguishment of all of the licensee's outstanding money
50 transmission obligations.

51 5. The director by rule or by order may allow other
52 types of investments that the director determines are of
53 sufficient liquidity and quality to be a permissible
54 investment. The director is authorized to participate in
55 efforts with other state regulators to determine that other
56 types of investments are of sufficient liquidity and quality
57 to be a permissible investment.

361.1008. 1. The following investments are
2 permissible under section 361.1005:

3 (1) Cash, including demand deposits, savings deposits,
4 and funds in such accounts held for the benefit of the
5 licensee's customers in a federally insured depository
6 financial institution, and cash equivalents, including
7 automated clearinghouse items in transit to the licensee and
8 automated clearinghouse items or international wires in
9 transit to a payee, cash in transit via armored car, cash in
10 smart safes, cash in licensee-owned locations, debit card or
11 credit card funded transmission receivables owed by any
12 bank, or money market mutual funds rated AAA by Standard &
13 Poor's, or the equivalent from any eligible rating service;

14 (2) Certificates of deposit or senior debt obligations
15 of an insured depository institution, as defined under the
16 Federal Deposit Insurance Act, 12 U.S.C. Section 1813, as
17 amended or recodified from time to time, or as defined under

18 the federal Credit Union Act, 12 U.S.C. Section 1781, as
19 amended or recodified from time to time;

20 (3) An obligation of the United States or a
21 commission, agency, or instrumentality thereof; an
22 obligation that is guaranteed fully as to principal and
23 interest by the United States; or an obligation of a state
24 or a governmental subdivision, agency, or instrumentality
25 thereof;

26 (4) One hundred percent of the surety bond provided
27 for under section 361.1002 that exceeds the average daily
28 money transmission liability in this state; and

29 (5) The full drawable amount of an irrevocable standby
30 letter of credit for which the stated beneficiary is the
31 director that stipulates that the beneficiary need draw only
32 a sight draft under the letter of credit and present it to
33 obtain funds up to the letter of credit amount within seven
34 days of presentation of the items required by paragraph (d)
35 of this subdivision. The letter of credit shall:

36 (a) Be issued by a federally insured depository
37 financial institution, a foreign bank that is authorized
38 under federal law to maintain a federal agency or federal
39 branch office in a state or states, or a foreign bank that
40 is authorized under state law to maintain a branch in a
41 state that:

42 a. Bears an eligible rating or whose parent company
43 bears an eligible rating; and

44 b. Is regulated, supervised, and examined by United
45 States federal or state authorities having regulatory
46 authority over banks, credit unions, and trust companies;

47 (b) Be irrevocable, unconditional, and indicate that
48 it is not subject to any condition or qualifications outside
49 of the letter of credit;

50 (c) Not contain references to any other agreements,
51 documents, or entities, or otherwise provide for any
52 security interest in the licensee; and

53 (d) Contain an issue date and expiration date, and
54 expressly provide for automatic extension, without a written
55 amendment, for an additional period of one year from the
56 present or each future expiration date unless the issuer of
57 the letter of credit notifies the director in writing by
58 certified or registered mail or courier mail or other
59 receipted means, at least sixty days prior to any expiration
60 date, that the irrevocable letter of credit will not be
61 extended.

62 2. In the event of any notice of expiration or
63 nonextension of a letter of credit issued under subdivision
64 (5) of subsection 1 of this section, the licensee shall be
65 required to demonstrate to the satisfaction of the director,
66 fifteen days prior to expiration, that the licensee
67 maintains and will maintain permissible investments in
68 accordance with subsection 1 of section 361.1005 upon the
69 expiration of the letter of credit. If the licensee is not
70 able to do so, the director may draw on the letter of credit
71 in an amount up to the amount necessary to meet the
72 licensee's requirements to maintain permissible investments
73 in accordance with subsection 1 of section 361.1005. Any
74 such draw shall be offset against the licensee's outstanding
75 money transmission obligations. The drawn funds shall be
76 held in trust by the director or the director's designated
77 agent, to the extent authorized by law, as agent for the
78 benefit of the purchasers and holders of the licensee's
79 outstanding money transmission obligations.

80 3. The letter of credit shall provide that the issuer
81 of the letter of credit will honor, at sight, a presentation

82 made by the beneficiary to the issuer of the following
83 documents on or prior to the expiration date of the letter
84 of credit:

85 (1) The original letter of credit, including any
86 amendments; and

87 (2) A written statement from the beneficiary stating
88 that any of the following events have occurred:

89 (a) The filing of a petition by or against the
90 licensee under the United States Bankruptcy Code, 11 U.S.C.
91 Sections 101-110, as amended or recodified from time to
92 time, for bankruptcy or reorganization;

93 (b) The filing of a petition by or against the
94 licensee for receivership, or the commencement of any other
95 judicial or administrative proceeding for its dissolution or
96 reorganization;

97 (c) The seizure of assets of a licensee by the
98 director under an emergency order issued in accordance with
99 applicable law, on the basis of an action, violation, or
100 condition that has caused or is likely to cause the
101 insolvency of the licensee; or

102 (d) The beneficiary has received notice of expiration
103 or nonextension of a letter of credit and the licensee
104 failed to demonstrate to the satisfaction of the beneficiary
105 that the licensee will maintain permissible investments in
106 accordance with subsection 1 of section 361.1005 upon the
107 expiration or nonextension of the letter of credit.

108 4. The director may designate an agent to serve on the
109 director's behalf as beneficiary to a letter of credit so
110 long as the agent and letter of credit meet requirements
111 established by the director. The director's agent may serve
112 as agent for multiple licensing authorities for a single
113 irrevocable letter of credit if the proceeds of the drawable

114 amount for the purposes of this subsection are assigned to
115 the director.

116 5. The director is authorized to participate in
117 multistate processes designed to facilitate the issuance and
118 administration of letters of credit including, but not
119 limited to, services provided by the NMLS, State Regulatory
120 Registry LLC, or other third parties.

121 6. Unless permitted by the director by rule or by
122 order to exceed the limit as set forth herein, the following
123 investments are permissible under section 361.1005 to the
124 extent specified:

125 (1) Receivables that are payable to a licensee from
126 its authorized delegates in the ordinary course of business
127 that are less than seven days old, up to fifty percent of
128 the aggregate value of the licensee's total permissible
129 investments. Of the receivables permissible under this
130 subdivision, receivables that are payable to a licensee from
131 a single authorized delegate in the ordinary course of
132 business shall not exceed ten percent of the aggregate value
133 of the licensee's total permissible investments;

134 (2) The following investments, up to twenty percent
135 per category and combined up to fifty percent of the
136 aggregate value of the licensee's total permissible
137 investments:

138 (a) A short-term investment bearing an eligible
139 rating. For purposes of this paragraph, "short-term" means
140 up to six months;

141 (b) Commercial paper bearing an eligible rating;

142 (c) A bill, note, bond, or debenture bearing an
143 eligible rating;

144 (d) United States triparty repurchase agreements
145 collateralized at one hundred percent or more with United

146 States government or agency securities, municipal bonds, or
147 other securities bearing an eligible rating;

148 (e) Money market mutual funds rated less than "AAA"
149 and equal to or higher than "A-" by Standard & Poor's, or
150 the equivalent from any other eligible rating service; and

151 (f) A mutual fund or other investment fund composed
152 solely and exclusively of one or more permissible
153 investments listed in subdivisions (1) to (3) of subsection
154 1 of this section; and

155 (3) Cash, including demand deposits, savings deposits,
156 and funds in such accounts held for the benefit of the
157 licensee's customers, at foreign depository institutions to
158 ten percent of the aggregate value of the licensee's total
159 permissible investments if the licensee has received a
160 satisfactory rating in its most recent examination and the
161 foreign depository institution:

162 (a) Has an eligible rating;

163 (b) Is registered under the Foreign Account Tax
164 Compliance Act;

165 (c) Is not located in any country subject to sanctions
166 from the Office of Foreign Asset Control; and

167 (d) Is not located in a high risk or noncooperative
168 jurisdiction as designated by the Financial Action Task
169 Force.

361.1011. 1. The director may suspend or revoke a
2 license or order a licensee to revoke the designation of an
3 authorized delegate if:

4 (1) The licensee violates sections 361.900 to 361.1035
5 or a rule adopted or an order issued under sections 361.900
6 to 361.1035;

7 (2) The licensee does not cooperate with an
8 examination or investigation by the director;

9 (3) The licensee engages in fraud, intentional
10 misrepresentation, or gross negligence;

11 (4) An authorized delegate is convicted of, or enters
12 a plea of guilty or nolo contendere to a felony involving an
13 act of fraud, dishonesty, a breach of trust, or money
14 laundering, or violates a rule adopted or an order issued
15 under sections 361.900 to 361.1035 as a result of the
16 licensee's willful misconduct or willful blindness;

17 (5) The competence, experience, character, or general
18 fitness of the licensee, authorized delegate, person in
19 control of a licensee, key individual, or responsible person
20 of the authorized delegate indicates that it is not in the
21 public interest to permit the person to provide money
22 transmission;

23 (6) The licensee engages in an unsafe or unsound
24 practice;

25 (7) The licensee is insolvent, suspends payment of its
26 obligations, or makes a general assignment for the benefit
27 of its creditors; or

28 (8) The licensee does not remove an authorized
29 delegate after the director issues and serves upon the
30 licensee a final order including a finding that the
31 authorized delegate has violated sections 361.900 to
32 361.1035.

33 2. In determining whether a licensee is engaging in an
34 unsafe or unsound practice, the director may consider the
35 size and condition of the licensee's money transmission, the
36 magnitude of the loss, the gravity of the violation of
37 sections 361.900 to 361.1035, and the previous conduct of
38 the person involved.

361.1014. 1. The director may issue an order
suspending or revoking the designation of an authorized
delegate, if the director finds that:

(1) The authorized delegate violated sections 361.900
to 361.1035 or a rule adopted or an order issued under
sections 361.900 to 361.1035;

(2) The authorized delegate did not cooperate with an
examination or investigation by the director;

(3) The authorized delegate engaged in fraud,
intentional misrepresentation, or gross negligence;

(4) The authorized delegate has been convicted of, or
pled guilty or nolo contendere to a felony involving an act
of fraud, dishonesty, a breach of trust, or money laundering;

(5) The competence, experience, character, or general
fitness of the authorized delegate or a person in control of
the authorized delegate indicates that it is not in the
public interest to permit the authorized delegate to provide
money transmission; or

(6) The authorized delegate is engaging in an unsafe
or unsound practice.

2. In determining whether an authorized delegate is
engaging in an unsafe or unsound practice, the director may
consider the size and condition of the authorized delegate's
provision of money transmission, the magnitude of the loss,
the gravity of the violation of sections 361.900 to 361.1035
or a rule adopted or order issued under sections 361.900 to
361.1035, and the previous conduct of the authorized
delegate.

3. An authorized delegate may apply for relief from a
suspension or revocation of designation as an authorized
delegate according to procedures prescribed by the director.

361.1017. 1. If the director determines that a
2 violation of sections 361.900 to 361.1035 or of a rule
3 adopted or an order issued under sections 361.900 to
4 361.1035 by a licensee or authorized delegate is likely to
5 cause immediate and irreparable harm to the licensee, its
6 customers, or the public as a result of the violation, or
7 cause insolvency or significant dissipation of assets of the
8 licensee, the director may issue an order requiring the
9 licensee or authorized delegate to cease and desist from the
10 violation. The order becomes effective upon service to the
11 licensee or authorized delegate.

12 2. The director may issue an order against a licensee
13 to cease and desist from providing money transmission
14 through an authorized delegate that is the subject of a
15 separate order by the director.

16 3. An order to cease and desist remains effective and
17 enforceable pending the completion of an administrative
18 proceeding under chapter 536.

19 4. A licensee or an authorized delegate that is served
20 with an order to cease and desist may petition the circuit
21 court with jurisdiction for a judicial order setting aside,
22 limiting, or suspending the enforcement, operation, or
23 effectiveness of the order pending the completion of an
24 administrative proceeding under chapter 536.

25 5. An order to cease and desist expires unless the
26 director commences an administrative proceeding under
27 chapter 536 within ten days after it is issued.

361.1020. The director may enter into a consent order
2 at any time with a person to resolve a matter arising under
3 sections 361.900 to 361.1035 or a rule adopted or order
4 issued under sections 361.900 to 361.1035. A consent order
5 shall be signed by the person to whom it is issued or by the

6 person's authorized representative and shall indicate
7 agreement with the terms contained in the order. A consent
8 order may provide that it does not constitute an admission
9 by a person that sections 361.900 to 361.1035 or a rule
10 adopted or an order issued under sections 361.900 to
11 361.1035 has been violated.

361.1023. 1. A person that intentionally makes a
2 false statement, misrepresentation, or false certification
3 in a record filed or required to be maintained under
4 sections 361.900 to 361.1035 or that intentionally makes a
5 false entry or omits a material entry in such a record is
6 guilty of a class E felony.

7 2. A person that knowingly engages in an activity for
8 which a license is required under sections 361.900 to
9 361.1035 without being licensed under sections 361.900 to
10 361.1035 and that receives more than five hundred dollars in
11 compensation within a thirty-day period for this activity is
12 guilty of a class E felony.

13 3. A person that knowingly engages in an activity for
14 which a license is required under sections 361.900 to
15 361.1035 without being licensed under sections 361.900 to
16 361.1035 and that receives no more than five hundred dollars
17 in compensation within a thirty-day period for this activity
18 is guilty of a class A misdemeanor.

361.1026. The director may assess a civil penalty
2 against a person that violates sections 361.900 to 361.1035
3 or a rule adopted or an order issued under sections 361.900
4 to 361.1035 in an amount not to exceed one thousand dollars
5 per day for each day the violation is outstanding, plus this
6 state's costs and expenses for the investigation and
7 prosecution of the matter, including reasonable attorney's
8 fees.

361.1029. 1. If the director has reason to believe
2 that a person has violated or is violating section 361.930,
3 the director may issue an order to show cause why an order
4 to cease and desist shall not be issued requiring that the
5 person cease and desist from the violation of section
6 361.930.

7 2. In an emergency, the director may petition the
8 circuit court with jurisdiction for the issuance of a
9 temporary restraining order under the rules of civil
10 procedure.

11 3. An order to cease and desist becomes effective upon
12 service to the person.

13 4. An order to cease and desist remains effective and
14 enforceable pending the completion of an administrative
15 proceeding under chapter 536.

16 5. A person that is served with an order to cease and
17 desist for violating section 361.930 may petition the
18 circuit court with jurisdiction for a judicial order setting
19 aside, limiting, or suspending the enforcement, operation,
20 or effectiveness of the order pending the completion of an
21 administrative proceeding under chapter 536.

22 6. An order to cease and desist expires unless the
23 director commences an administrative proceeding within ten
24 days after it is issued.

361.1032. In applying and construing sections 361.900
2 to 361.1035, consideration shall be given to the need to
3 promote uniformity of the law with respect to its subject
4 matter among states that enact it.

361.1035. 1. A person licensed in this state to
2 engage in the business of money transmission shall not be
3 subject to the provisions of sections 361.900 to 361.1035 to
4 the extent that they conflict with current law or establish

5 new requirements not imposed under current law, until such
6 time as the licensee renews the licensee's current license.

7 2. Notwithstanding subsection 1 of this section, a
8 licensee shall be required only to amend its authorized
9 delegate contracts for contracts entered into or amended
10 after the effective date or the completion of any transition
11 period contemplated under subsection 1 of this section.
12 Nothing herein shall be construed as limiting an authorized
13 delegate's obligations to operate in full compliance with
14 sections 361.900 to 361.1035 as required by subsection 3 of
15 section 361.975.

362.245. 1. The affairs and business of the
2 corporation shall be managed by a board of directors,
3 consisting of not less than five nor more than thirty-five
4 stockholders who shall be elected annually; except, that
5 trust companies in existence on October 13, 1967, may
6 continue to divide the directors into three classes of equal
7 number, as near as may be, and to elect one class each year
8 for three-year terms. Notwithstanding any provision of this
9 chapter to the contrary, a director who is not a stockholder
10 shall have all the rights, privileges, and duties of a
11 director who is a stockholder.

12 2. Each director shall be a citizen of the United
13 States, and **except for a private trust company as described**
14 **under section 361.160**, at least a majority of the directors
15 must be residents of this state at the time of their
16 election and during their continuance in office; provided,
17 however, that if a director actually resides within a radius
18 of one hundred miles of the banking house of said bank or
19 trust company, even though his or her residence be in
20 another state adjoining and contiguous to the state of
21 Missouri, he or she shall for the purposes of this section

22 be considered as a resident of this state and in the event
23 such director shall be a nonresident of the state of
24 Missouri he or she shall upon his or her election as a
25 director file with the president of the banking house or
26 such other chief executive [office] **officer** as otherwise
27 permitted by this chapter written consent to service of
28 legal process upon him in his or her capacity as a director
29 by service of the legal process upon the president as though
30 the same were personally served upon the director in
31 Missouri.

32 3. If at a time when not more than a majority of the
33 directors are residents of this state, **except for a private**
34 **trust company as described under section 361.160**, any
35 director shall cease to be a resident of this state or
36 adjoining state as [defined] **described** in subsection 2 of
37 this section, he or she shall forthwith cease to be a
38 director of the bank or trust company and his or her office
39 shall be vacant.

40 4. No person shall be a director in any bank or trust
41 company against whom such bank or trust company shall hold a
42 judgment.

43 5. Cumulative voting shall only be permitted at any
44 meeting of the members or stockholders in electing directors
45 when it is provided for in the articles of incorporation or
46 bylaws.

362.1010. Sections 362.1010 to [362.1115] **362.1117**
2 shall be known and may be cited as the "Missouri Family
3 Trust Company Act".

362.1015. For purposes of sections 362.1010 to
2 [362.1115] **362.1117**, the following terms mean:

3 (1) "Authorized representative", if a family trust
4 company is organized as a corporation, then an officer or

5 director of the family trust company or, if a family trust
6 company is organized as a limited liability company, then a
7 manager, officer, or member of the family trust company;

8 (2) "Collateral kinship", a relationship that is not
9 lineal but stems from a common ancestor;

10 (3) "Controlling stockholder or member", an individual
11 who owns or has the ability or power to directly or
12 indirectly vote ten percent or more of the outstanding
13 shares, membership interest, or membership units of the
14 family trust company;

15 (4) "Designated relative", a common ancestor of a
16 family, either living or deceased, who is so designated in a
17 family trust company's initial registration application and
18 any annual registration report;

19 (5) **"Director", the director of the Missouri division**
20 **of finance;**

21 (6) **"Director's designee", an attorney-at-law or a**
22 **certified public accountant designated by the director under**
23 **subsection 1 of section 362.1085;**

24 (7) "Engage in trust company business with the general
25 public", any sales, solicitations, arrangements, agreements,
26 or transactions to provide trust or other business services,
27 whether for a fee, commission, or any other type of
28 remuneration, with any person who is not a family member or
29 any sole proprietorship, partnership, limited liability
30 company, joint venture, association, corporation, trust,
31 estate, business trust, or other company that is not one
32 hundred percent owned by one or more family members;

33 [(6)] (8) "Family affiliate", a company or other
34 entity wholly and exclusively owned by, directly or
35 indirectly, and operated for the sole benefit of:

36 (a) One or more family members; or

37 (b) Charitable foundations, charitable trusts, or
38 other charitable entities if such foundation, trust, or
39 entity is funded exclusively by one or more family members;

40 [(7)] (9) "Family member":

41 (a) A designated relative;

42 (b) Any person within the tenth degree of lineal
43 kinship of a designated relative;

44 (c) Any person within the ninth degree of collateral
45 kinship to a designated relative;

46 (d) The spouse of any person who qualifies under
47 paragraphs (a) through (c) of this subdivision;

48 (e) Any former spouse of any person who qualifies
49 under paragraphs (a) through (c) of this subdivision;

50 (f) The probate estate of any person who qualified as
51 a family member under paragraphs (a) through (e) of this
52 subdivision;

53 (g) A family affiliate;

54 (h) An irrevocable trust funded exclusively by one or
55 more family members of which all permissible distributees,
56 as defined under subdivision (16) of section 456.1-103,
57 qualify under paragraphs (a) through (g) of this subdivision
58 or are charitable foundations, charitable trusts, or other
59 charitable entities;

60 (i) An irrevocable trust of which one or more family
61 members are the only permissible distributees; or

62 (j) A revocable trust of which one or more family
63 members are the sole settlors.

64 For purposes of this subdivision, a legally adopted person
65 shall be treated as a natural child of the adoptive parents;
66 a stepchild shall be treated as a natural child of the
67 family member who is or was the stepparent of that child;

68 and a foster child or an individual who was a minor when a
69 family member became his or her legal guardian shall be
70 treated as a natural child of the family member appointed as
71 foster parent or guardian. Degrees of kinship are
72 calculated by adding the number of steps from the designated
73 relative through each person to the family member either
74 directly in case of lineal kinship or through the common
75 ancestor in the case of collateral kinship;

76 [(8)] (10) "Family trust company", a corporation or
77 limited liability company organized or qualified to do
78 business in this state that is wholly owned and exclusively
79 controlled by, directly or indirectly, one or more family
80 members, excluding any former spouse of a family member;
81 that operates for the exclusive benefit of a family member
82 regardless of whether compensation is received or
83 anticipated; and that does not engage in trust company
84 business with the general public or otherwise hold itself
85 out as a trustee for hire by advertisement, solicitation, or
86 other means. The term "family trust company" shall include
87 foreign family trust companies unless context indicates
88 otherwise;

89 [(9)] (11) "Family trust company affiliated party":

90 (a) A director, officer, manager, employee, or
91 controlling stockholder or member of a family trust company;
92 or

93 (b) A stockholder, member, or any other person as
94 determined by the [secretary] **director** who participates in
95 the affairs of a family trust company;

96 [(10)] (12) "Foreign family trust company", a family
97 trust company that:

98 (a) Is licensed by the District of Columbia or a state
99 in the United States other than this state;

100 (b) Has its principal place of business in the
101 District of Columbia or a state in the United States other
102 than this state;

103 (c) Is operated in accordance with family or private
104 trust company laws of the District of Columbia or of the
105 state in which it is licensed;

106 (d) Is subject to statutory or regulatory mandated
107 oversight by the District of Columbia or state in which the
108 principal place of business is located; and

109 (e) Is not owned by or a subsidiary of a corporation,
110 limited liability company, or other business entity that is
111 organized in or licensed by any foreign country;

112 [(11)] (13) "Lineal kinship", a relationship in the
113 direct line of ascent or descent from a designated relative;

114 [(12)] (14) "Officer", an individual, regardless of
115 whether the individual has an official title or receives a
116 salary or other compensation, who may participate in the
117 major policy-making functions of a family trust company
118 other than as a director. The term shall not include an
119 individual who may have an official title and exercises
120 discretion in the performance of duties and functions but
121 who does not participate in determining the major policies
122 of the family trust company and whose decisions are limited
123 by policy standards established by other officers,
124 regardless of whether the policy standards have been adopted
125 by the board of directors. The chair of the board of
126 directors, the president, the chief executive officer, the
127 chief financial officer, the senior trust officer, all
128 executive vice presidents of a family trust company, and all
129 managers if organized as a limited liability company are
130 presumed to be officers unless such officer is excluded,
131 other than in the capacity of a director, by resolution of

132 the board of directors or members or by the bylaws or
133 operating agreement of the family trust company from
134 participating in major policy-making functions of the family
135 trust company, and such excluded officer does not actually
136 participate therein;

137 [(13)] (15) "Organizational instrument", the articles
138 of incorporation for a corporation or the articles of
139 organization for a limited liability company, as they may be
140 amended or supplemented from time to time;

141 [(14)] (16) "Principal place of business", the
142 physical location where officers of a family trust company
143 direct, control, and coordinate the trust company's
144 activities;

145 [(15)] (17) "Principal place of operations", the
146 physical location in this state where a foreign family trust
147 company stores and maintains its books and records
148 pertaining to operations in this state;

149 [(16)] (18) "Qualified beneficiary", the same meaning
150 as defined under subdivision (21) of section 456.1-103;

151 [(17)] (19) "Registered agent", a business or
152 individual designated by a family trust company to receive
153 service of process on behalf of the family trust company;

154 [(18)] (20) "Reports of examinations, operations, or
155 conditions", records submitted to the [secretary] **director**
156 or prepared by the [secretary] **director** as part of the
157 [secretary's] **director's** duties performed under sections
158 362.1010 to 362.1117;

159 [(19)] "Secretary", the secretary of state for the state
160 of Missouri;

161 (20) "Secretary's designee", an attorney-at-law or a
162 certified public accountant designated by the secretary
163 under subsection 1 of section 362.1085;]

164 (21) "Working papers", the records of the procedures
165 followed, tests performed, information obtained, and
166 conclusions reached in an investigation under sections
167 362.1010 to 362.1117. The term shall also include books and
168 records.

362.1030. 1. There is hereby established in the state
2 treasury the "Family Trust Company Fund", which shall
3 consist of all fees collected by the [secretary] **director**
4 from family trust companies registering as provided in this
5 section. The state treasurer shall be custodian of the
6 fund. In accordance with sections 30.170 and 30.180, the
7 state treasurer may approve disbursements. The fund shall
8 be a dedicated fund, and moneys in the fund shall be used
9 solely to support the [secretary's] **director's** role and
10 fulfillment of duties under sections 362.1010 to 362.1117.
11 Notwithstanding the provisions of section 33.080 to the
12 contrary, any moneys remaining in the fund at the end of the
13 biennium that exceed twenty thousand dollars shall revert to
14 the credit of the general revenue fund. The state treasurer
15 shall invest moneys in the fund in the same manner as other
16 funds are invested. Any interest and moneys earned on such
17 investments shall be credited to the fund.

18 2. A family trust company that is not a foreign family
19 trust company shall not conduct business in this state
20 unless such family trust company:

21 (1) [Files its organizational instrument with the
22 secretary] **Files with the director, an initial registration**
23 **application in a format prescribed by the director, a one-**
24 **time original filing fee of five thousand dollars, the**
25 **proposed organizational instruments to be filed with the**
26 **secretary of state, and all required filing fees; and**

27 (2) [Pays a one-time original filing fee of five
28 thousand dollars to the secretary] **Receives from the**
29 **director an order approving the application, instruction as**
30 **to who shall file the order, the proposed organizational**
31 **instruments and all required filing fees with the secretary**
32 **of state[; and**

33 (3) **Registers by filing with the secretary an initial**
34 **registration application in a format prescribed by the**
35 **secretary].**

36 **A family trust company that is not a foreign family trust**
37 **company that is, as of August 28, 2024, a registered family**
38 **trust company in good standing with the secretary of state**
39 **shall be deemed to have complied with the requirements of**
40 **subsection 2 of section 362.1030.**

41 3. A foreign family trust company shall not conduct
42 business in this state unless such foreign family trust
43 company:

44 (1) [Pays a one-time original filing fee of five
45 thousand dollars to the secretary] **Files with the director,**
46 **an initial registration application in a format prescribed**
47 **by the director, a one-time original filing fee of five**
48 **thousand dollars, the proposed application for a certificate**
49 **of authority if a corporation or application for**
50 **registration if a limited liability company to be filed with**
51 **the secretary of state, and all required filing fees; and**

52 (2) [Registers by filing with the secretary an initial
53 registration application in a format prescribed by the
54 secretary] **Receives from the director an order approving the**
55 **application, instruction as to who shall file the order, the**
56 **proposed application for a certificate of authority if a**
57 **corporation, or application for registration if a limited**

58 **liability company, to be filed with the secretary of state**
59 **and all required filing fees[; and**

60 (3) If such foreign family trust company is a
61 corporation, files an application for a certificate of
62 authority or, if such foreign family trust company is a
63 limited liability company, files an application for
64 registration].

65 **A foreign family trust company that is, as of August 28,**
66 **2024, a registered family trust company in good standing**
67 **with the secretary of state shall be deemed to have complied**
68 **with the requirements of subsection 3 of section 362.1030.**

69 4. The [secretary] **director** shall deposit all family
70 trust company filing fees into the family trust company fund
71 established under subsection 1 of this section.

72 5. A foreign family trust company application shall be
73 submitted on a form prescribed by the [secretary] **director**
74 and be signed, under penalty of perjury, by an authorized
75 representative. At a minimum, the application shall include:

76 (1) A statement attesting that the foreign family
77 trust company:

78 (a) Will comply with the provisions of sections
79 362.1010 to 362.1117; and

80 (b) Is in compliance with the family trust company
81 laws and regulations of the jurisdiction of its
82 incorporation or organization;

83 (2) The current telephone number and street address of:

84 (a) The foreign family trust company's principal place
85 of business in the jurisdiction of its incorporation or
86 organization;

87 (b) The foreign family trust company's principal place
88 of operations; and

89 (c) Any other offices located within this state;
90 (3) The name and current street address in this state
91 of its registered agent;

92 (4) A certified copy of a certificate of good
93 standing, or an equivalent document, authenticated by the
94 official having custody of records in the jurisdiction where
95 the foreign family trust company is incorporated or
96 organized;

97 (5) Satisfactory proof, as determined by the
98 **[secretary] director**, that the foreign family trust company
99 is organized in a manner similar to a Missouri family trust
100 company and is in compliance with the family trust company
101 laws and regulations of the jurisdiction in which the
102 foreign family trust company was incorporated or organized;
103 and

104 (6) Any other information reasonably **[and customarily]**
105 required by the **[secretary of foreign corporations or**
106 **foreign limited liability companies seeking to qualify to**
107 **conduct business in this state] director.**

362.1035. 1. No family trust company shall be
2 organized or operated with a capital account of less than
3 two hundred fifty thousand dollars. The full amount of the
4 initial capital account of a family trust company shall
5 consist of one or more asset groups described under
6 subsection 1 of section 362.1070, exclusive of all
7 organization expenses.

8 2. A family trust company shall maintain:

9 (1) A physical office in this state where original or
10 true copies, including electronic copies, of all material
11 business records and accounts of the family trust company
12 may be accessed and are readily available for examination by
13 the **[secretary] director**. A family trust company may also

14 maintain one or more branch offices within or outside of
15 this state;

16 (2) A registered agent who maintains an office in this
17 state;

18 (3) All applicable state and local business licenses,
19 charters, and permits; and

20 (4) A deposit account with a state-chartered or
21 national financial institution that has a principal or
22 branch office in this state.

23 3. In addition to the requirements of subsection 2 of
24 this section, a foreign family trust company shall also:

25 (1) Be in good standing in the jurisdiction in which
26 it is incorporated or organized; and

27 (2) Stay in compliance with the family trust company
28 laws and regulations of such jurisdiction.

362.1040. 1. One or more persons may subscribe to an
2 organizational instrument in writing for the purpose of
3 forming a family trust company, subject to the conditions
4 prescribed by law.

5 2. The organizational instrument of a family trust
6 company shall set forth all of the information required
7 under chapter 347 or 351, as applicable, and the following:

8 (1) The name of the company, which shall distinguish
9 the company from any other nonfamily trust company or family
10 trust company formed or engaging in business in this state.

11 If the word "trust" is included in the name, it shall be
12 immediately preceded by the word "family" so as to
13 distinguish the entity from a nonfamily trust company
14 operating under this chapter. This subdivision shall not
15 apply to a foreign family trust company using a fictitious
16 name that is registered and maintained in this state
17 pursuant to the requirements administered by the secretary

18 **of state** and that distinguishes the foreign family trust
19 company from a nonfamily trust company authorized to operate
20 under this chapter;

21 (2) A statement that the purpose for which the company
22 is formed is to engage in any and all activities permitted
23 under sections 362.1010 to 362.1117; and

24 (3) A statement affirming that the family trust
25 company shall not engage in trust company business with the
26 general public.

27 3. The term "trust company" in the name adopted by a
28 family trust company shall not be deemed to violate section
29 362.425.

362.1055. 1. A family trust company shall file an
2 annual registration report with, and shall pay an annual
3 filing fee of one thousand dollars to, the **[secretary]**
4 **director**.

5 2. The annual registration report filed by a family
6 trust company that is not a foreign family trust company
7 shall include:

8 (1) A statement by an authorized representative
9 verifying that the family trust company is in compliance
10 with the provisions of sections 362.1010 to 362.1117 and
11 with applicable federal laws including, but not limited to,
12 anti-money laundering and customer-identification rules or
13 regulations;

14 (2) The name of the company's designated relative and
15 the street address for its principal place of business; and

16 (3) Any other information reasonably **[and customarily]**
17 required by the **[secretary of general business corporations]**
18 **[in connection with filing their annual registration reports]**
19 **director**.

20 3. The annual registration report filed by a foreign
21 family trust company shall include:

22 (1) A statement by an authorized representative
23 verifying that the foreign family trust company is in
24 compliance with the provisions of sections 362.1010 to
25 362.1117, with the family trust company laws and regulations
26 of the jurisdiction in which it was incorporated or
27 organized, and with applicable federal laws including, but
28 not limited to, anti-money laundering and customer-
29 identification rules or regulations;

30 (2) The current telephone number and street address of
31 the foreign family trust company's principal place of
32 business in the jurisdiction in which it was incorporated or
33 organized;

34 (3) The current telephone number and street address of
35 the foreign family trust company's principal place of
36 operations;

37 (4) The current telephone number and address of the
38 physical location of any other offices located in this state;

39 (5) The name and current street address in this state
40 of the trust company's registered agent;

41 (6) Documentation, to the satisfaction of the
42 **[secretary] director**, showing that the foreign family trust
43 company is in compliance with the family trust company laws
44 and regulations of the jurisdiction in which it was
45 incorporated or organized; and

46 (7) Any other information reasonably **[and customarily]**
47 required by the **[secretary of general business corporations**
48 **in connection with filing their annual registration reports]**
49 **director.**

50 4. An annual registration report shall be submitted on
51 a form prescribed by the [secretary] **director** and signed
52 under penalty of perjury by an authorized representative.

 362.1060. 1. A family trust company may, but only for
2 family members:

3 (1) Act as a sole or copersonal representative,
4 executor, or administrator for a probate estate within or
5 outside this state;

6 (2) Act as an attorney-in-fact or agent under a power
7 of attorney;

8 (3) Except as provided under section 362.1065, act
9 within or outside this state as a sole fiduciary or
10 cofiduciary, including acting as a trustee, advisory agent,
11 assignee, assignee for the benefit of creditors,
12 authenticating agent, bailee, bond or indenture trustee,
13 conservator, conversion agent, custodian, escrow agent,
14 fiscal or paying agent, financial advisor, guardian,
15 investment advisor or manager, managing agent, purchase
16 agent, receiver, registrar, safekeeping or subscription
17 agent, transfer agent for entities other than public
18 companies, warrant agent, or other similar capacity
19 generally performed by a corporate trustee. In so acting,
20 the family trust company may possess, purchase, sell,
21 invest, reinvest, safekeep, or otherwise manage or
22 administer the real or personal property of family members;

23 (4) Exercise the powers of a corporation or limited
24 liability company incorporated or organized under the laws
25 of this state, or qualified to transact business as a
26 foreign corporation or limited liability company under the
27 laws of this state that are reasonably necessary to enable
28 the trust company to fully exercise a power conferred under

29 sections 362.1010 to 362.1117 in accordance with commonly
30 accepted customs and usages;

31 (5) Delegate duties and powers, including investment
32 and management functions under section 469.909, in
33 accordance with the powers granted to a trustee under
34 chapter 456 or other applicable law and retain agents,
35 attorneys, accountants, investment advisors, or other
36 individuals or entities to advise or assist the family trust
37 company in the exercise of its powers and duties under
38 sections 362.1010 to 362.1117 and chapter 456. Such
39 exercise of power may include, but is not limited to,
40 retaining a bank trust department or a public trust company
41 other than another family trust company; and

42 (6) Perform all acts necessary to exercise the powers
43 enumerated in this section or authorized under sections
44 362.1010 to 362.1117 and other applicable laws of this state.

45 2. A foreign family trust company **that has complied**
46 **with section 362.1030 and is** in good standing in the
47 jurisdiction in which it is incorporated or organized may
48 exercise all the trust powers in this state that a Missouri
49 family trust company may exercise.

362.1085. 1. The **[secretary] director** may designate
2 an attorney-at-law or a certified public accountant to
3 examine or investigate, or assist in the examination of, a
4 family trust company.

5 2. The **[secretary] director** or the **[secretary's]**
6 **director's** designee may examine or investigate a family
7 trust company at any time the **[secretary] director** deems
8 necessary to determine if the family trust company engaged
9 in an act prohibited under section 362.1065 or 362.1080 and,
10 if a family trust company engaged in such act, to determine
11 whether any other applicable law was violated.

12 3. The **[secretary] director** or the **[secretary's]**
13 **director's** designee may examine the books and records of a
14 foreign family trust company at any time the **[secretary]**
15 **director** deems necessary to determine if such foreign family
16 trust company is in compliance with sections 362.1010 to
17 362.1117. In connection with an examination of the books
18 and records of the trust company, the **[secretary] director**
19 or the **[secretary's] director's** designee may rely upon the
20 most recent examination report, review, certification
21 letters, or similar documentation issued by the agency
22 supervising the foreign family trust company in the
23 jurisdiction in which the foreign family trust company is
24 incorporated or organized. The examination by the
25 **[secretary] director** or the **[secretary's] director's**
26 designee of the books and records of a foreign family trust
27 company shall be, to the extent practicable, limited to
28 books and records of operations in this state.

29 4. For each examination or investigation of a family
30 trust company under this section, the family trust company
31 shall pay the costs of the examination or investigation. As
32 used in this subsection, the term "costs" means the salary
33 of and travel expenses incurred by any individual that are
34 directly attributable to the examination or investigation of
35 the family trust company. The mailing of payment for costs
36 incurred shall be postmarked within thirty days after the
37 receipt of a notice that states the costs are due. The
38 **[secretary] director** may levy a late payment of up to one
39 hundred dollars per day for each day that a payment is
40 overdue unless waived for good cause. However, if the late
41 payment of costs is intentional, the **[secretary] director**
42 may levy an administrative fine of up to one thousand
43 dollars per day for each day the payment is overdue.

44 5. The **[secretary] director** may establish by rule the
45 requirements and records necessary to demonstrate conformity
46 with sections 362.1010 to 362.1117 by a family trust company.

 362.1090. 1. The **[secretary] director** or the
2 **[secretary's] director's** designee may issue and serve upon a
3 family trust company or family trust company affiliated
4 party a notice of charges if the **[secretary] director** or the
5 **[secretary's] director's** designee has reason to believe that
6 such company, family trust company affiliated party, or
7 individual named therein is engaging in or has engaged in
8 any of the following acts:

9 (1) The family trust company fails to satisfy the
10 requirements of a family trust company or foreign family
11 trust company under sections 362.1010 to 362.1117;

12 (2) A violation of section 362.1035, 362.1040,
13 362.1050, 362.1055, 362.1060, or 362.1080;

14 (3) A violation of any rule of the **[secretary]**
15 **director;**

16 (4) A violation of any order of the **[secretary]**
17 **director;**

18 (5) A breach of any written agreement with the
19 **[secretary] director;**

20 (6) A prohibited act or practice under section
21 362.1065;

22 (7) A willful failure to provide information or
23 documents to the **[secretary] director** upon written request;

24 (8) An act of commission or omission that is
25 judicially determined by a court of competent jurisdiction
26 to be a breach of trust or fiduciary duty; or

27 (9) A violation of state or federal law related to
28 anti-money laundering, customer identification, or any
29 related rule or regulation.

30 2. The notice of charges shall contain a statement of
31 facts and notice of opportunity for a hearing.

32 3. If no hearing is requested within thirty days after
33 the date of service of the notice of charges or if a hearing
34 is held and the **[secretary] director** or **[secretary's]**
35 **director's** designee finds that any of the charges are true,
36 the **[secretary] director** or **[secretary's] director's**
37 designee may enter an order directing the family trust
38 company, family trust company affiliated party, or the
39 individual named in the notice of charges to cease and
40 desist such conduct and to take corrective action.

41 4. A contested or default cease and desist order is
42 effective when reduced to writing and served upon the family
43 trust company, family trust company affiliated party, or the
44 individual named therein. An uncontested cease and desist
45 order is effective as agreed.

46 5. If the **[secretary] director** or the **[secretary's]**
47 **director's** designee finds that conduct described under
48 subsection 1 of this section is likely to cause substantial
49 prejudice to members, shareholders, beneficiaries of
50 fiduciary accounts of the family trust company, or
51 beneficiaries of services rendered by the family trust
52 company, the **[secretary] director** or the **[secretary's]**
53 **director's** designee may issue an emergency cease and desist
54 order requiring the family trust company, family trust
55 company affiliated party, or individual named therein to
56 immediately cease and desist from engaging in the conduct
57 stated and to take corrective action. The emergency order
58 is effective immediately upon service of a copy of the order
59 upon the family trust company or family trust company
60 affiliated party and shall remain effective for ninety
61 days. If the **[secretary] director** or the **[secretary's]**

62 **director's** designee begins nonemergency cease and desist
63 proceedings under subsection 1 of this section, the
64 emergency order shall remain effective until the conclusion
65 of the proceedings under this section.

66 6. A family trust company shall have ninety days to
67 wind up its affairs after entry of any order to cease and
68 desist from operating as a family trust company. If a
69 family trust company that is not a foreign family trust
70 company is still operating after ninety days, the
71 **[secretary] director** or the **[secretary's] director's**
72 designee may seek an order from a circuit court for the
73 annulment or dissolution of the company. If a foreign
74 family trust company is still operating after ninety days,
75 the **[secretary] director** or the **[secretary's] director's**
76 designee may seek an injunction from a circuit court
77 restraining the company from continuing to operate in this
78 state.

362.1095. If a family trust company fails to submit
2 within the prescribed period its annual registration report
3 or any other report required by sections 362.1010 to
4 362.1117 or rule, the **[secretary] director** may impose a fine
5 of up to one hundred dollars for each day that the annual
6 registration report or other report is overdue. Failure to
7 provide the annual registration report within sixty days
8 after the end of the calendar year shall automatically
9 result in termination of the registration of a family trust
10 company. A family trust company may have its registration
11 automatically reinstated by submitting to the **[secretary]**
12 **director**, on or before August thirty-first of the calendar
13 year in which the annual registration report is due, the
14 company's annual registration report, a five hundred dollar
15 late fee, and the amount of any fine imposed by the

16 [secretary] **director** under this section. A family trust
17 company that fails to renew or reinstate its registration
18 shall wind up its affairs on or before November thirtieth of
19 the calendar year in which such failure occurs.

362.1100. 1. The [secretary] **director** or the
2 [secretary's] **director's** designee may issue and serve upon a
3 family trust company and a family trust company affiliated
4 party a notice of charges if the [secretary] **director** or the
5 [secretary's] **director's** designee has reason to believe that
6 the family trust company affiliated party is engaging or has
7 engaged in conduct that:

8 (1) Demonstrates that the family trust company does
9 not satisfy the requirements of a family trust company or of
10 a foreign family trust company under sections 362.1010 to
11 362.1117;

12 (2) Is a prohibited act or practice under section
13 362.1065;

14 (3) Violates section 362.1035, 362.1040, 362.1050,
15 362.1055, 362.1060, or 362.1080;

16 (4) Violates any other law involving fraud or moral
17 turpitude that constitutes a felony;

18 (5) Violates a state or federal law related to anti-
19 money laundering, customer identification, or any related
20 rule or regulation;

21 (6) Is a willful violation of a rule of the
22 [secretary] **director**;

23 (7) Is a willful violation of an order of the
24 [secretary] **director**;

25 (8) Is a willful breach of a written agreement with
26 the [secretary] **director**; or

27 (9) Is an act of commission or omission or a practice
28 that the [secretary] **director** or the [secretary's]

29 **director's** designee has reason to believe is a breach of
30 trust or fiduciary duty.

31 2. The notice of charges shall contain a statement of
32 facts and notice of opportunity for a hearing.

33 3. If no hearing is requested within thirty days after
34 the date of service of the notice of charges or if a hearing
35 is held and the **[secretary] director** or **[secretary's]**
36 **director's** designee finds that any of the charges in the
37 notice of charges are true, the **[secretary] director** or
38 **[secretary's] director's** designee may enter an order that
39 removes the family trust company affiliated party from the
40 family trust company or that restricts or prohibits the
41 family trust company affiliated party from participating in
42 the affairs of the family trust company.

43 4. A contested or default order of removal is
44 effective when reduced to writing and served upon the family
45 trust company and the family trust company affiliated
46 party. An uncontested order of removal is effective as
47 agreed.

48 5. (1) The chief executive officer of a family trust
49 company or the person holding the equivalent office shall
50 promptly notify the **[secretary] director** if such person has
51 actual knowledge that a family trust company affiliated
52 party is charged with a felony in a state or federal court.

53 (2) If a family trust company affiliated party is
54 charged with a felony in a state or federal court or, in a
55 court of a foreign country with which the United States
56 maintains diplomatic relations, is charged with an offense
57 that involves a violation of law relating to fraud, currency
58 transaction reporting, money laundering, theft, or moral
59 turpitude and such offense is equivalent to a felony charge
60 under state or federal law, then the **[secretary] director** or

61 the [secretary's] **director's** designee may enter an emergency
62 order that suspends the family trust company affiliated
63 party or that restricts or prohibits participation by such
64 party in the affairs of the family trust company effective
65 upon service of the order on the company and such family
66 trust company affiliated party.

67 (3) The order shall contain notice of opportunity for
68 a hearing, at which the family trust company affiliated
69 party may request a postsuspension hearing to show that
70 continued service to or participation in the affairs of the
71 family trust company does not pose a threat to the interests
72 of the family trust company. In accordance with applicable
73 rules, the [secretary] **director** or [secretary's] **director's**
74 designee shall notify the family trust company affiliated
75 party whether the order suspending or prohibiting the family
76 trust company affiliated party from participating in the
77 affairs of the family trust company will be rescinded or
78 otherwise modified. The emergency order shall remain in
79 effect, unless otherwise modified by the [secretary]
80 **director** or [secretary's] **director's** designee, until the
81 criminal charge is disposed. The emergency order shall
82 dissolve upon the final, unappealed dismissal of all charges
83 against or the acquittal of the family trust company
84 affiliated party. Such occurrences shall not prohibit the
85 [secretary] **director** or the [secretary's] **director's**
86 designee from instituting proceedings under subsection 1 of
87 this section. If the family trust company affiliated party
88 charged is convicted or pleads guilty or nolo contendere,
89 regardless of adjudication, the emergency order shall become
90 final.

91 6. No family trust company affiliated party removed
92 from office under this section shall be eligible for

93 reinstatement to such office or to any other official
94 position in a family trust company or financial institution
95 in this state except with the written consent of the
96 **[secretary] director**. A family trust company affiliated
97 party who is removed, restricted, or prohibited from
98 participation in the affairs of a family trust company under
99 this section may petition the **[secretary] director** for
100 modification or termination of such removal, restriction, or
101 prohibition.

102 7. The resignation, termination of employment or
103 participation, or separation from a family trust company of
104 the family trust company affiliated party shall not affect
105 the jurisdiction and authority of the **[secretary] director**
106 or the **[secretary's] director's** designee to issue a notice
107 and proceed under this section against the family trust
108 company affiliated party if such notice is served within six
109 years of the date such person ceased to be a family trust
110 company affiliated party.

362.1105. 1. The books and records of a family trust
2 company are confidential and shall be made available for
3 inspection and examination only:

4 (1) To the **[secretary] director** or the **[secretary's]**
5 **director's** authorized representative;

6 (2) To any person authorized to act for the family
7 trust company;

8 (3) As compelled by a court, pursuant to a subpoena
9 issued in accordance with state or federal law. Before the
10 production of the books and records, the party seeking
11 production shall agree to reimburse the company for the
12 reasonable costs and fees incurred in compliance with the
13 production. If the parties disagree on the amount of
14 reimbursement, the party seeking the records may request the

15 court that issued the subpoena to set the amount of
16 reimbursement;

17 (4) Pursuant to a subpoena held by any federal or
18 state law enforcement or prosecutorial instrumentality
19 authorized to investigate suspected criminal activity;

20 (5) As authorized by, if a corporation, the board of
21 directors or, if a limited liability company, the managers;
22 or

23 (6) As provided under subsection 2 of this section.

24 2. (1) If a corporation, each customer and
25 stockholder, or if a limited liability company, each member
26 has the right to inspect the books and records of a family
27 trust company as they pertain to such person's accounts or
28 the determination of such person's voting rights.

29 (2) The books and records pertaining to customers,
30 members, and stockholders of a family trust company shall be
31 kept confidential by the company and its directors,
32 managers, officers, and employees. The books and records of
33 customers, members, and stockholders shall not be released
34 except upon the express authorization of the customer as to
35 his or her own accounts or a stockholder or member regarding
36 his or her voting rights. However, information may be
37 released without the authorization of a customer, member, or
38 shareholder in a manner prescribed by the board of directors
39 of a corporation or managers of a limited liability company
40 for the purposes of verifying or corroborating the existence
41 or amount of a customer's account if such information is
42 reasonably provided to meet the needs of commerce and to
43 ensure accurate credit information. Notwithstanding this
44 subdivision, this subsection shall not prohibit a family
45 trust company from disclosing financial information as
46 permitted under 15 U.S.C. Section 6802, as amended.

47 (3) The willful unlawful disclosure of confidential
48 information in violation of this section shall be a class E
49 felony.

50 (4) This subsection shall not apply to a foreign
51 family trust company. The laws of the jurisdiction in which
52 a foreign family trust company was incorporated or organized
53 govern the rights of its customers, members, and
54 stockholders to inspect its books and records.

55 3. For purposes of this section, the term "books and
56 records" shall include, but is not limited to, the initial
57 registration documents of a family trust company under
58 section 362.1030 and the annual registration report made by
59 a family trust company under section 362.1055.

362.1110. 1. A family trust company shall keep at its
2 principal place of business or principal place of operations:

3 (1) Full and complete records of the names and
4 residences of all its shareholders or members;

5 (2) The number of shares or membership units held by
6 each, as applicable; and

7 (3) The ownership percentage of each shareholder or
8 member.

9 The records are subject to inspection by all shareholders or
10 members of the family trust company and the **[secretary]**
11 **director** or the **[secretary's] director's** authorized
12 representative during the normal business hours of the
13 family trust company. A current list of shareholders or
14 members shall be made available to the **[secretary] director**
15 or the **[secretary's] director's** authorized representative
16 for their inspection and, upon the request of the
17 **[secretary] director**, shall be submitted to the **[secretary]**
18 **director**.

19 2. The **[secretary] director** shall retain for at least
20 ten years:

21 (1) Examination reports;

22 (2) Investigatory records;

23 (3) The organizational instrument of a family trust
24 company; and

25 (4) The annual registration reports filed by a family
26 trust company.

27 3. A copy of any document on file with the **[secretary]**
28 **director** that is certified by the **[secretary] director** as a
29 true copy may be introduced in evidence as if it were the
30 original. The **[secretary] director** shall establish a
31 schedule of fees for preparing true copies of documents.

32 4. Orders issued by courts or administrative law
33 judges for the production of confidential records or
34 information shall provide for inspection in camera by the
35 court or the administrative law judge. If the court or
36 administrative law judge determines that the documents
37 requested are relevant or would likely lead to the discovery
38 of admissible evidence, the documents shall be subject to
39 further orders by the court or the administrative law judge
40 to protect the confidentiality thereof. An order directing
41 the release of information shall be immediately reviewable,
42 and a petition by the **[secretary] director** for review of the
43 order shall automatically stay any further proceedings in a
44 trial court or administrative hearing until the disposition
45 of the petition by the reviewing court. If any other party
46 files a petition for review, such filing shall stay
47 proceedings only upon an order of the reviewing court.

 362.1115. 1. The following information held by the
2 **[secretary] director** is confidential and exempt from chapter
3 610:

4 (1) Any personal identifying information appearing in
5 records relating to a registration or an annual
6 certification of a family trust company;

7 (2) Any personal identifying information appearing in
8 records relating to an examination of a family trust company;

9 (3) Any personal identifying information appearing in
10 reports of examinations, operations, or conditions of a
11 family trust company, including working papers;

12 (4) Any portion of a list of names of the shareholders
13 or members of a family trust company;

14 (5) Information received by the **[secretary] director**
15 from a person from another state or nation or the federal
16 government that is otherwise confidential or exempt under
17 the laws of such state or nation or under federal law; and

18 (6) An emergency cease and desist order issued under
19 section 362.1090 until the emergency order is made
20 permanent, unless the **[secretary] director** finds that such
21 confidentiality will result in substantial risk of financial
22 loss to the public.

23 2. Information made confidential and exempt under
24 subsection 1 of this section may be disclosed by the
25 **[secretary] director** to:

26 (1) The authorized representative or representatives
27 of the family trust company under examination. The
28 authorized representative or representatives shall be
29 identified in a resolution or by written consent of the
30 board of directors if a corporation or the managers if a
31 limited liability company;

32 (2) A fidelity insurance company upon written consent
33 of the family trust company's board of directors if a
34 corporation or its managers if a limited liability company;

35 (3) An independent auditor upon written consent of the
36 family trust company's board of directors if a corporation
37 or its managers if a limited liability company;

38 (4) A liquidator, receiver, or conservator if
39 appointed. However, any portion of the information that
40 discloses the identity of a bondholder, customer, family
41 member, member, or stockholder shall be redacted by the
42 [secretary] **director** before releasing such information;

43 (5) Any other state, federal, or foreign agency
44 responsible for the regulation or supervision of family
45 trust companies;

46 (6) A law enforcement agency in the furtherance of
47 such agency's official duties and responsibilities;

48 (7) The appropriate law enforcement or prosecutorial
49 agency for the purpose of reporting any suspected criminal
50 activity; or

51 (8) Comply with a legislative subpoena. A legislative
52 body or committee that receives records or information
53 pursuant to such subpoena shall maintain the confidential
54 status of such records or information. However, in a case
55 involving the investigation of charges against a public
56 official subject to impeachment or removal, records or
57 information may be disclosed to the extent necessary as
58 determined by the legislative body or committee.

59 3. This section shall not prevent or restrict the
60 publication of:

61 (1) A report required by federal law; or

62 (2) The name of the family trust company and the
63 address of its registered agent.

64 4. The willful disclosure of information made
65 confidential and exempt by this section is a class E felony.

362.1116. The [secretary] **director** may issue forms and
2 orders and, after notice and comment, may adopt and amend
3 rules necessary or appropriate to carry out the provisions
4 of sections 362.1010 to 362.1117 and may repeal rules and
5 forms.

362.1117. 1. Except as otherwise provided in sections
2 362.1010 to 362.1117, any interested person aggrieved by any
3 order of the [secretary] **director** or [secretary's]
4 **director's** designee under any provision of sections 362.1010
5 to 362.1117 shall be entitled to a hearing before the
6 [secretary] **director** or the [secretary's] **director's**
7 authorized representative in accordance with the provisions
8 of chapter 536. A cease and desist order issued by the
9 [secretary] **director** or [secretary's] **director's** designee is
10 subject to judicial review in accordance with the provisions
11 of chapter 536 in the circuit court of Cole County.

12 2. A rule adopted under sections 362.1010 to 362.1117
13 is subject to judicial review in accordance with the
14 provisions of chapter 536 in the circuit court of Cole
15 County.

374.190. 1. The director shall examine and inquire
2 into all violations of the insurance laws of the state, and
3 inquire into and investigate the business of insurance
4 transacted in this state by any insurance agent, broker,
5 agency or insurance company.

6 2. He or any of his duly appointed agents may compel
7 the attendance before him, and may examine, under oath, the
8 directors, officers, agents, employees, solicitors,
9 attorneys or any other person, in reference to the
10 condition, affairs, management of the business, or any
11 matters relating thereto. He may administer oaths or
12 affirmations, and shall have power to summon and compel the

13 attendance of witnesses, and to require and compel the
14 production of records, books, papers, contracts or other
15 documents, if necessary.

16 3. The director may make and conduct the investigation
17 in person, or he may appoint one or more persons to make and
18 conduct the same for him. If made by another than the
19 director in person, the person duly appointed by the
20 director shall have the same powers as above granted to the
21 director. A certificate of appointment, under the official
22 seal of the director, shall be sufficient authority and
23 evidence thereof for the person or persons to act. For the
24 purpose of making the investigations, or having the same
25 made, the director may employ the necessary clerical,
26 actuarial and other assistance.

27 4. Notwithstanding any provision of law to the
28 contrary, the confidentiality provisions of section 374.205,
29 including subdivision (5) of subsection 3 of section
30 374.205, and subsection 4 of section 374.205, shall apply to
31 all reports, working papers, recorded information,
32 documents, and copies thereof, produced by, obtained by, or
33 disclosed to the director or any other person in the course
34 of any market conduct investigation or market conduct action.

374.192. 1. Notwithstanding any provision of law to
2 the contrary, a regulated entity shall have not less than
3 thirty calendar days to submit any record or material
4 requested by the department. This subsection shall not
5 apply to requests for records or materials by the division
6 of consumer affairs or to requests for information on forms
7 submitted under section 375.920.

8 2. Notwithstanding any provision of law to the
9 contrary, any record or document, regardless of physical
10 form or characteristic, maintained beyond the record

11 retention period specified in section 374.205 shall not be
12 subject to request or review by the director unless the
13 director has substantial and competent evidence that the
14 regulated entity has willfully engaged in an act or omission
15 constituting a level four or five violation of the laws of
16 this state relating to insurance, including this chapter,
17 chapter 354, and chapters 375 to 385, or has been convicted
18 of any felony related to the business of insurance, in which
19 case the director may request or review records or documents
20 maintained beyond the record retention period specified in
21 section 374.205 that directly relate to the violation or
22 conviction.

23 3. A regulated entity may establish its own internal
24 standards, practices, methods, or procedures that are the
25 same as or exceed the requirements set forth by law or
26 rule. The department shall not impose any civil penalty,
27 forfeiture, or order on a regulated entity solely for
28 failing to comply with its own internal standards,
29 practices, methods, or procedures unless such failure also
30 violates a law or rule.

375.020. 1. Beginning January 1, 2008, each insurance
2 producer, unless exempt pursuant to section 375.016,
3 licensed to sell insurance in this state shall successfully
4 complete courses of study as required by this section. Any
5 person licensed to act as an insurance producer shall,
6 during each two years, attend courses or programs of
7 instruction or attend seminars equivalent to a minimum of
8 sixteen hours of instruction. Of the sixteen hours'
9 training required in this subsection, the hours need not be
10 divided equally among the lines of authority in which the
11 producer has qualified. The courses or programs attended by
12 the producer during each two-year period shall include

13 instruction on Missouri law, products offered in any line of
14 authority in which the producer is qualified, producers'
15 duties and obligations to the department, and business
16 ethics, including sales suitability. Course credit shall be
17 given to members of the general assembly as determined by
18 the department.

19 2. Subject to approval by the director, the courses or
20 programs of instruction which shall be deemed to meet the
21 director's standards for continuing educational requirements
22 shall include, but not be limited to, the following:

- 23 (1) American College Courses (CLU, ChFC);
- 24 (2) Life Underwriters Training Council (LUTC);
- 25 (3) Certified Insurance Counselor (CIC);
- 26 (4) Chartered Property and Casualty Underwriter (CPCU);
- 27 (5) Insurance Institute of America (IIA);
- 28 (6) Any other professional financial designation

29 approved by the director by rule;

- 30 (7) An insurance-related course taught by an
31 accredited college or university or qualified instructor who
32 has taught a course of insurance law at such institution;

- 33 (8) A course or program of instruction or seminar
34 developed or sponsored by any authorized insurer, recognized
35 producer association or insurance trade association, or any
36 other entity engaged in the business of providing education
37 courses to producers. A local producer group may also be
38 approved if the instructor receives no compensation for
39 services.

40 3. A person teaching any approved course of
41 instruction or lecturing at any approved seminar shall
42 qualify for the same number of classroom hours as would be
43 granted to a person taking and successfully completing such
44 course, seminar or program.

45 4. Excess hours accumulated during any two-year period
46 may be carried forward to the two-year period immediately
47 following the two-year period in which the course, program
48 or seminar was held.

49 5. For good cause shown, the director may grant an
50 extension of time during which the educational requirements
51 imposed by this section may be completed, but such extension
52 of time shall not exceed the period of one calendar year.
53 The director may grant an individual waiver of the mandatory
54 continuing education requirement upon a showing by the
55 licensee that it is not feasible for the licensee to satisfy
56 the requirements prior to the renewal date. Waivers may be
57 granted for reasons including, but not limited to:

- 58 (1) Serious physical injury or illness;
- 59 (2) Active duty in the armed services for an extended
60 period of time;
- 61 (3) Residence outside the United States; or
- 62 (4) The licensee is at least seventy years of age.

63 6. Every person subject to the provisions of this
64 section shall furnish in a form satisfactory to the
65 director, written certification as to the courses, programs
66 or seminars of instruction taken and successfully completed
67 by such person. Every provider of continuing education
68 courses authorized in this state shall, within thirty
69 working days of a licensed producer completing its approved
70 course, provide certification to the director of the
71 completion in a format prescribed by the director.

72 7. The provisions of this section shall not apply to
73 those natural persons holding licenses for any kind or kinds
74 of insurance for which an examination is not required by the
75 law of this state, nor shall they apply to any limited lines

76 insurance producer license or restricted license as the
77 director may exempt.

78 8. The provisions of this section shall not apply to a
79 life insurance producer who is limited by the terms of a
80 written agreement with the insurer to transact only specific
81 life insurance policies having an initial face amount of
82 ~~[fifteen]~~ **twenty** thousand dollars or less, or annuities
83 having an initial face amount of ~~[fifteen]~~ **twenty** thousand
84 dollars or less, that are designated by the purchaser for
85 the payment of funeral or burial expenses. The director may
86 require the insurer entering into the written agreements
87 with the insurance producers pursuant to this subsection to
88 certify as to the representations of the insurance producers.

89 9. Rules and regulations necessary to implement and
90 administer this section shall be promulgated by the
91 director, including, but not limited to, rules and
92 regulations regarding the following:

93 (1) Course content and hour credits: the insurance
94 advisory board established by section 375.019 shall be
95 utilized by the director to assist him in determining
96 acceptable content of courses, programs and seminars to
97 include classroom equivalency;

98 (2) Filing fees for course approval: every applicant
99 seeking approval by the director of a continuing education
100 course under this section shall pay to the director a filing
101 fee of fifty dollars per course. Fees shall be waived for
102 state and local insurance producer groups. Such fee shall
103 accompany any application form required by the director.
104 Courses shall be approved for a period of no more than one
105 year. Applicants holding courses intended to be offered for
106 a longer period must reapply for approval. Courses approved
107 by the director prior to August 28, 1993, for which

108 continuous certification is sought should be resubmitted for
109 approval sixty days before the anniversary date of the
110 previous approval.

111 10. All funds received pursuant to the provisions of
112 this section shall be transmitted by the director to the
113 department of revenue for deposit in the state treasury to
114 the credit of the insurance dedicated fund. All
115 expenditures necessitated by this section shall be paid from
116 funds appropriated from the insurance dedicated fund by the
117 legislature.

375.1183. 1. **Contracts reinsuring policies of life or
2 health insurance or annuities referred to in section
3 375.1178 issued by a ceding insurer that has been placed in
4 conservation or rehabilitation proceedings under sections
5 375.1150 to 375.1246 shall be continued or terminated under
6 the terms and conditions of each contract and the provisions
7 of this section.**

8 2. **Contracts reinsuring policies of life or health
9 insurance or annuities referred to in section 375.1178
10 issued by a ceding insurer that has been placed into
11 liquidation under sections 375.1150 to 375.1246 shall be
12 continued, subject to the provisions of this section, unless:**

13 (1) **The contracts were terminated pursuant to their
14 terms prior to the date of the order of liquidation; or**

15 (2) **The contracts were terminated pursuant to the
16 order of liquidation, in which case the provisions of
17 subsection 9 of this section shall apply.**

18 3. (1) **At any time within one hundred eighty days of
19 the date of the order of liquidation, a guaranty association
20 covering policies of life or health insurance or annuities
21 referred to in section 375.1178, in whole or in part, may
22 elect to assume the rights and obligations of the ceding**

23 insurer that relate to the policies or annuities under any
24 one or more reinsurance contracts between the ceding insurer
25 and its reinsurers. Any such assumption shall be effective
26 as of the date of the order of liquidation. The election
27 shall be made by the guaranty association or the national
28 organization of life and health insurance guaranty
29 associations on its behalf by sending written notice, return
30 receipt requested, to the affected reinsurers.

31 (2) To facilitate the decision, the receiver and each
32 affected reinsurer shall make available upon request to the
33 guaranty association or to the national organization of life
34 and health insurance guaranty associations on its behalf:

35 (a) Copies of in-force reinsurance contracts and all
36 related files and records relevant to the determination of
37 whether such contracts should be assumed; and

38 (b) Notices of any defaults under the reinsurance
39 contracts or any known event or condition which with the
40 passage of time could become a default under the reinsurance
41 contracts.

42 (3) Paragraphs (a) through (d) of this subdivision
43 shall apply to reinsurance contracts so assumed by a
44 guaranty association:

45 (a) The guaranty association shall be responsible for
46 all unpaid premiums due under the reinsurance contracts, for
47 periods both before and after the date of the order of
48 liquidation, and shall be responsible for the performance of
49 all other obligations to be performed after the date of the
50 order of liquidation.

51 (b) The guaranty association shall be entitled to any
52 amounts payable by the reinsurer under the reinsurance
53 contracts with respect to losses or events that occur in
54 periods on or after the date of the order of liquidation.

55 (c) Within thirty days following the date of the
56 guaranty association's election to assume a reinsurance
57 contract, the guaranty association and the reinsurer shall
58 calculate the balance due to or from the guaranty
59 association under each reinsurance contract as of the date
60 of such election, and the guaranty association or reinsurer
61 shall pay any remaining balance due the other within thirty-
62 five days of the date of such election. Any disputes over
63 the amounts due to either the guaranty association or the
64 reinsurer shall be resolved by arbitration pursuant to the
65 terms of the affected reinsurance contract or, if the
66 contract contains no arbitration clause, pursuant to the
67 provisions of subdivision (3) of subsection 9 of this
68 section.

69 (d) If the guaranty association, or receiver on behalf
70 of such guaranty association, within sixty days of the date
71 of the guaranty association's election to assume a
72 reinsurance contract, pays the unpaid premiums due for
73 periods both before and after the date of such election that
74 are due pursuant to the reinsurance contract, the reinsurer
75 shall not be entitled to terminate the reinsurance contract
76 for failure to pay premiums, and shall not be entitled to
77 set off any unpaid amounts due under other contracts, or
78 unpaid amounts due from parties other than the guaranty
79 association, against amounts due such guaranty association.

80 4. If a receiver continues policies of life or health
81 insurance or annuities referred to in section 375.1178 in
82 force following an order of liquidation, and the policies or
83 annuities are not covered in whole or in part by one or more
84 guaranty associations, the receiver may, within one hundred
85 eighty days of the date of the order of liquidation, elect
86 to assume the rights and obligations of the ceding insurer

87 under any one or more of the reinsurance contracts that
88 relate to the policies or annuities, provided the contracts
89 have not been terminated as set forth in subsection 2 of
90 this section. The election shall be made by sending written
91 notice, return receipt requested, to the affected
92 reinsurers. In that event, payment of premiums on the
93 reinsurance contracts for the policies and annuities, for
94 periods both before and after the date of the order of
95 liquidation, shall be chargeable against the estate as a
96 class 1 administrative expense. Amounts paid by the
97 reinsurer on account of losses on the policies and annuities
98 shall be to the estate of the ceding insurer.

99 5. During the period from the date of the order of
100 liquidation until the date the guaranty association or the
101 receiver elects to assume the rights and obligations of the
102 ceding insurer under any one or more of the reinsurance
103 contracts that relate to the policies or annuities as
104 provided for in subsection 3 or 4 of this section, the
105 guaranty association, the receiver, and the reinsurer shall
106 not have any rights or obligations under any reinsurance
107 contract that is eligible for assumption by such association
108 or the receiver.

109 6. (1) If the guaranty association or the receiver,
110 as the case may be, has timely elected to assume a
111 reinsurance contract pursuant to subsection 3 or 4 of this
112 section, as applicable, the parties' rights and obligations
113 shall be governed by the provisions of subsection 3 or 4 of
114 this section, as applicable.

115 (2) Where the guaranty association covering policies
116 of life or health insurance or annuities referred to in
117 section 375.1178 or the receiver, as the case may be, does
118 not timely elect to assume a reinsurance contract pursuant

119 to subsection 3 or 4 of this section, as applicable, the
120 reinsurance contract shall be terminated retroactively
121 effective on the date of the order of liquidation and
122 subsection 9 of this section shall apply.

123 7. When policies of life or health insurance or
124 annuities referred to in section 375.1178, or the
125 obligations of the guaranty association with respect
126 thereto, are transferred to an assuming insurer, reinsurance
127 on the policies or annuities may also be transferred by the
128 guaranty association, in the case of contracts assumed under
129 subsection 3 of this section, or the receiver, in the case
130 of contracts assumed under subsection 4 of this section,
131 subject to the following:

132 (1) Unless the reinsurer and the assuming insurer
133 agree otherwise, the reinsurance contract transferred shall
134 not cover any new policies or annuities in addition to those
135 transferred;

136 (2) The obligations described in subsections 3 and 4
137 of this section shall no longer apply with respect to
138 matters arising after the effective date of the transfer; and

139 (3) Notice shall be given in writing, return receipt
140 requested, by the transferring party to the affected
141 reinsurer not less than thirty days prior to the effective
142 date of the transfer.

143 8. The provisions of this section shall, to the extent
144 provided in sections 375.1150 to 375.1246, supersede the
145 provisions of any law or of any affected reinsurance
146 contract that provides for or requires any payment of
147 reinsurance proceeds, on account of losses or events that
148 occur in periods after the date of the order of liquidation,
149 to the receiver of the ceding insurer or any other person.
150 The receiver shall remain entitled to any amounts payable by

151 the reinsurer under the reinsurance contracts with respect
152 to losses or events that occur in periods prior to the date
153 of the order of liquidation, subject to provisions of
154 sections 375.1150 to 375.1246 including applicable setoff
155 provisions.

156 9. When a reinsurance contract is terminated pursuant
157 to sections 375.1150 to 375.1246, the reinsurer and the
158 receiver shall commence a mandatory negotiation procedure in
159 accordance with this subsection:

160 (1) No later than thirty days after the date of
161 termination, each party shall appoint an actuary to
162 determine an estimated sum due as a result of the
163 termination of the reinsurance contract calculated in a way
164 expected to make the parties economically indifferent as to
165 whether the reinsurance contract continues or terminates,
166 giving due regard to the economic effects of the
167 insolvency. The sum shall take into account the present
168 value of future cash flows expected under the reinsurance
169 contract and be based on a gross premium valuation of net
170 liability using current assumptions that reflect post-
171 insolvency experience expectations, with no additional
172 margins, net of any amounts payable and receivable, with a
173 market value adjustment to reflect premature sale of assets
174 to fund the settlement;

175 (2) Within ninety days of the date of termination,
176 each party shall provide the other party with its estimate
177 of the sum due as a result of the termination of the
178 reinsurance contract, together with all relevant documents
179 and other information supporting the estimate. The parties
180 shall make a good faith effort to reach agreement on the sum
181 due;

182 (3) If the parties are unable to reach agreement
183 within ninety days following the submission of materials
184 required in subdivision (2) of this subsection, either party
185 may initiate arbitration proceedings as provided in the
186 reinsurance contract. In the event that the reinsurance
187 contract does not contain an arbitration clause, either
188 party may initiate arbitration pursuant to this subdivision
189 by providing the other party with a written demand for
190 arbitration. The arbitration shall be conducted pursuant to
191 the following procedures:

192 (a) Venue for the arbitration shall be within the
193 county of the court's jurisdiction pursuant to section
194 375.1154, or another location agreed to by the parties;

195 (b) Within thirty days of the responding party's
196 receipt of the arbitration demand, each party shall appoint
197 an arbitrator who is a disinterested active or retired
198 officer or executive of a life or health insurance or
199 reinsurance company, or other professional with no less than
200 ten years' experience in or relating to the field of life or
201 health insurance or reinsurance. The two arbitrators shall
202 appoint an independent, impartial, disinterested umpire who
203 is an active or retired officer or executive of a life or
204 health insurance or reinsurance company, or other
205 professional with no less than ten years' experience in the
206 field of life or health insurance or reinsurance. If the
207 arbitrators are unable to agree on an umpire, each
208 arbitrator shall provide the other with the names of three
209 qualified individuals, each arbitrator shall strike two
210 names from the other's list, and the umpire shall be chosen
211 by drawing lots from the remaining individuals;

212 (c) Within sixty days following the appointment of the
213 umpire, the parties shall, unless otherwise ordered by the

214 panel, submit to the arbitration panel their estimates of
215 the sum due as a result of the termination of the
216 reinsurance contract, together with all relevant documents
217 and other information supporting the estimate;

218 (d) The time periods set forth in these paragraphs may
219 be extended upon mutual agreement of the parties;

220 (e) The panel shall have all powers necessary to
221 conduct the arbitration proceedings in a fair and
222 appropriate manner, including the power to request
223 additional information from the parties, authorize
224 discovery, hold hearings, and hear testimony. The panel
225 also may appoint independent actuarial experts, the expense
226 of which shall be shared equally between the parties;

227 (4) An arbitration panel considering the matters set
228 forth in this subsection shall apply the standards set forth
229 in this subsection and shall issue a written award
230 specifying a net settlement amount due from one party or the
231 other as a result of the termination of the reinsurance
232 contract. The receivership court shall confirm that award
233 absent proof of statutory grounds for vacating or modifying
234 arbitration awards under the Federal Arbitration Act;

235 (5) If the net settlement amount agreed or awarded
236 pursuant to this subsection is payable by the reinsurer, the
237 reinsurer shall pay the amount due to the estate subject to
238 any applicable set-off under section 375.1198. If the net
239 settlement amount agreed or awarded pursuant to this
240 subsection is payable by the ceding insurer, the reinsurer
241 shall be deemed to have a timely filed claim against the
242 estate for that amount, which claim shall be paid pursuant
243 to the priority established in subsection 5 of section
244 375.1218. The affected guaranty associations shall not be
245 entitled to receive the net settlement amount, except to the

246 extent they are entitled to share in the estate assets as
247 creditors of the estate, and shall have no responsibility
248 for the net settlement amount.

249 10. Except as otherwise provided in this section,
250 nothing in this section shall alter or modify the terms and
251 conditions of any reinsurance contract. Nothing in this
252 section shall abrogate or limit any rights of any reinsurer
253 to claim that it is entitled to rescind a reinsurance
254 contract. Nothing in this section shall give a policyholder
255 or beneficiary an independent cause of action against a
256 reinsurer that is not otherwise set forth in the reinsurance
257 contract. Nothing in this section shall limit or affect any
258 guaranty association's rights as a creditor of the estate
259 against the assets of the estate. Nothing in this section
260 shall apply to reinsurance contracts covering property or
261 casualty risks.

262 11. This section and subdivision (10) of subsection 1
263 of section 376.734 shall be construed together in a manner
264 that is consistent with each other and with the purpose
265 provided for in section 376.715.

376.427. 1. As used in this section, the following
2 terms mean:

3 (1) "Health benefit plan", as such term is defined in
4 section 376.1350. The term health benefit plan shall also
5 include a prepaid dental plan, as defined in section 354.700;

6 (2) "Health care services", medical, surgical, dental,
7 podiatric, pharmaceutical, chiropractic, licensed ambulance
8 service, and optometric services;

9 (3) "Health carrier" or "carrier", as such term is
10 defined in section 376.1350. The term health carrier or
11 carrier shall also include a prepaid dental plan
12 corporation, as defined in section 354.700;

13 (4) "Insured", any person entitled to benefits under a
14 contract of accident and sickness insurance, or medical-
15 payment insurance issued as a supplement to liability
16 insurance but not including any other coverages contained in
17 a liability or a workers' compensation policy, issued by an
18 insurer;

19 (5) "Insurer", any person, reciprocal exchange,
20 interinsurer, fraternal benefit society, health services
21 corporation, self-insured group arrangement to the extent
22 not prohibited by federal law, prepaid dental plan
23 corporation as defined in section 354.700, or any other
24 legal entity engaged in the business of insurance;

25 (6) "Provider", a physician, hospital, dentist,
26 podiatrist, chiropractor, pharmacy, licensed ambulance
27 service, or optometrist, licensed by this state.

28 2. Upon receipt of an assignment of benefits made by
29 the insured to a provider, the insurer shall issue the
30 instrument of payment for a claim for payment for health
31 care services in the name of the provider. All claims shall
32 be paid within thirty days of the receipt by the insurer of
33 all documents reasonably needed to determine the claim.

34 3. Nothing in this section shall preclude an insurer
35 from voluntarily issuing an instrument of payment in the
36 single name of the provider.

37 4. Except as provided in subsection 5 of this section,
38 this section shall not require any insurer, health services
39 corporation, prepaid dental plan as defined in section
40 354.700, health maintenance corporation or preferred
41 provider organization which directly contracts with certain
42 members of a class of providers for the delivery of health
43 care services to issue payment as provided pursuant to this

44 section to those members of the class which do not have a
45 contract with the insurer.

46 5. When a patient's health benefit plan does not
47 include or require payment to out-of-network providers for
48 all or most covered services, which would otherwise be
49 covered if the patient received such services from a
50 provider in the health benefit plan's network, including but
51 not limited to health maintenance organization plans, as
52 such term is defined in section 354.400, or a health benefit
53 plan offered by a carrier consistent with subdivision (19)
54 of section 376.426, payment for all services shall be made
55 directly to the providers when the health carrier has
56 authorized such services to be received from a provider
57 outside the health benefit plan's network.

58 **6. Payments made to providers under this section shall**
59 **be subject to the provisions of section 376.383. Entities**
60 **that are not currently subject to the provisions of section**
61 **376.383 shall have a delayed effective date of January 1,**
62 **2026 to be subject to such provisions.**

376.1345. 1. As used in this section, unless the
2 context clearly indicates otherwise, terms shall have the
3 same meaning as ascribed to them in section 376.1350.

4 2. No health carrier, nor any entity acting on behalf
5 of a health carrier, shall restrict methods of reimbursement
6 to health care providers for health care services to a
7 reimbursement method requiring the provider to pay a fee,
8 discount the amount of their claim for reimbursement, or
9 remit any other form of remuneration in order to redeem the
10 amount of their claim for reimbursement.

11 3. **(1)** If a health carrier **[initiates or changes]**
12 **proposes to initiate or change** the method used to reimburse
13 a health care provider to a method of reimbursement that

14 will require the health care provider to pay a fee, discount
15 the amount of its claim for reimbursement, or remit any
16 other form of remuneration to the health carrier or any
17 entity acting on behalf of the health carrier in order to
18 redeem the amount of its claim for reimbursement, **as**
19 **described in subsection 2 of this section**, the health
20 carrier or an entity acting on its behalf shall **first**
21 **receive approval from the health care provider before**
22 **reimbursing the health care provider with such payment**
23 **method.**

24 (2) If a health carrier is currently reimbursing a
25 health care provider with a payment method described in
26 subsection 2 of this section, the health care provider may
27 send one notice to the health carrier for all the health
28 care provider's patients covered by such health carrier
29 stating that the health care provider declines to be
30 reimbursed with a payment method described in subsection 2
31 of this section. Such notice shall remain in effect for the
32 duration of the contract unless the health care provider
33 requests otherwise in the manner described in paragraph (b)
34 of subdivision (3) of this subsection. All payments made by
35 the health carrier to the health care provider after receipt
36 of the notice declining to be reimbursed with a payment
37 method described in subsection 2 of this section shall not
38 require the health care provider to pay a fee, discount the
39 amount of the provider's claim for reimbursement, or remit
40 any other form of remuneration in order to redeem the amount
41 of the provider's claim for reimbursement.

42 (3) A health carrier that proposes to reimburse a
43 health care provider with a payment method described in
44 subsection 2 of this section shall:

45 [(1)] (a) Notify such health care provider of the fee,
46 discount, or other remuneration required to receive
47 reimbursement through the new or different reimbursement
48 method; and

49 [(2)] (b) In such notice, provide clear instructions
50 to the health care provider as to how to select [an
51 alternative] **the** payment method **described in subsection 2 of**
52 **this section**, and upon request **by the health care provider**
53 such [alternative] payment method shall be [used] **allowed** to
54 reimburse the provider until the provider requests otherwise.

55 4. A health carrier shall allow the provider to select
56 to be reimbursed by an electronic funds transfer through the
57 Automated Clearing House Network as required pursuant to 45
58 C.F.R. Sections 162.925, 162.1601, and 162.1602, and if the
59 provider makes such selection, the health carrier shall use
60 such reimbursement method to reimburse the provider until
61 the provider requests otherwise.

62 5. An amount a health carrier claims was overpaid to a
63 provider may only be collected, withheld, or recouped from
64 the provider, or third party that submitted the provider's
65 claim under the third party's provider identification
66 number, to whom the overpaid amount was originally paid.
67 The notice of withholding or recoupment by a health carrier
68 shall also inform the provider or third party of the health
69 care service, date of service, and patient for which the
70 recoupment is being made.

71 6. Violation of this section shall be deemed an unfair
72 trade practice under sections 375.930 to 375.948.

379.1640. 1. As used in this section, the following
2 terms shall mean:

3 (1) "Department", the department of commerce and
4 insurance;

5 (2) "Director", the director of the department of
6 commerce and insurance;

7 (3) "Limited lines self-service storage insurance
8 producer", an owner, operator, lessor, or sublessor of a
9 self-service storage facility, or an agent or other person
10 authorized to manage the facility, duly licensed by the
11 department of commerce and insurance;

12 (4) "Offer and disseminate", provide general
13 information, including a description of the coverage and
14 price, as well as process the application, collect premiums,
15 and perform other nonlicensable activities permitted by the
16 state;

17 (5) "Self-service storage insurance", insurance
18 coverage for the loss of, or damage to, tangible personal
19 property in a self-service storage facility as defined in
20 section 415.405 or in transit during the rental period.

21 2. Notwithstanding any other provision of law:

22 (1) Individuals may offer and disseminate self-service
23 storage insurance on behalf of and under the control of a
24 limited lines self-service storage insurance producer only
25 if the following conditions are met:

26 (a) The limited lines self-service storage insurance
27 producer provides to purchasers of self-service storage
28 insurance:

29 a. A description of the material terms or the actual
30 material terms of the insurance coverage;

31 b. A description of the process for filing a claim;

32 c. A description of the review or cancellation process
33 for the self-service storage insurance coverage; and

34 d. The identity and contact information of the insurer
35 and any third-party administrator or supervising entity
36 authorized to act on behalf of the insurer;

37 (b) At the time of licensure, the limited lines self-
38 service storage insurance producer shall establish and
39 maintain a register on a form prescribed by the director of
40 each individual that offers self-service storage insurance
41 on the limited lines self-service storage insurance
42 producer's behalf. The register shall be maintained and
43 updated annually by the limited lines self-service storage
44 insurance producer and shall include the name, address, and
45 contact information of the limited lines self-service
46 storage insurance producer and an officer or person who
47 directs or controls the limited lines self-service storage
48 insurance producer's operations, and the self-service
49 storage facility's federal tax identification number. The
50 limited lines self-service storage insurance producer shall
51 submit such register within thirty days upon request by the
52 department. The limited lines self-service storage
53 insurance producer shall also certify that each individual
54 listed on the self-service storage register complies with 18
55 U.S.C. Section 1033;

56 (c) The limited lines self-service storage insurance
57 producer serves as or has designated one of its employees
58 who is a licensed individual producer as a person
59 responsible for the business entity's compliance with the
60 self-service storage insurance laws, rules, and regulations
61 of this state;

62 (d) An individual applying for a limited lines self-
63 service storage insurance producer license shall make
64 application to the director on the specified application and
65 declare under penalty of refusal, suspension or revocation
66 of the license that the statements made on the application
67 are true, correct and complete to the best of the knowledge

68 and belief of the applicant. Before approving the
69 application, the director shall find that the individual:

70 a. Is at least eighteen years of age;

71 b. Has not committed any act that is a ground for
72 denial, suspension, or revocation set forth in section
73 375.141;

74 c. Has paid a license fee in the sum of one hundred
75 dollars; and

76 d. Has completed a qualified training program
77 regarding self-service storage insurance policies, which has
78 been filed with and approved by the director;

79 (e) Individuals applying for limited lines self-
80 service storage insurance producer licenses shall be exempt
81 from examination. The director may require any documents
82 reasonably necessary to verify the information contained in
83 an application. Within thirty working days after the change
84 of any information submitted on the application, the self-
85 service storage insurance producer shall notify the director
86 of the change. No fee shall be charged for any such
87 change. If the director has taken no action within twenty-
88 five working days of receipt of an application, the
89 application shall be deemed approved and the applicant may
90 act as a licensed self-service storage insurance producer,
91 unless the applicant has indicated a conviction for a felony
92 or a crime involving moral turpitude;

93 (f) The limited lines self-service storage insurance
94 producer requires each employee and authorized
95 representative of the self-service storage insurance
96 producer whose duties include offering and disseminating
97 self-service storage insurance to receive a program of
98 instruction or training provided or authorized by the
99 insurer or supervising entity that has been reviewed and

100 approved by the director. The training material shall, at a
101 minimum, contain instructions on the types of insurance
102 offered, ethical sales practices, and required disclosures
103 to prospective customers;

104 (2) Any individual offering or disseminating self-
105 service storage insurance shall provide to prospective
106 purchasers brochures or other written materials that:

107 (a) Provide the identity and contact information of
108 the insurer and any third-party administrator or supervising
109 entity authorized to act on behalf of the insurer;

110 (b) Explain that the purchase of self-service storage
111 insurance is not required in order to lease self-storage
112 units;

113 (c) Explain that an unlicensed self-service storage
114 operator is permitted to provide general information about
115 the insurance offered by the self-service storage operator,
116 including a description of the coverage and price, but is
117 not qualified or authorized to answer technical questions
118 about the terms and conditions of the insurance offered by
119 the self-service storage operator or to evaluate the
120 adequacy of the customer's existing insurance coverage; and

121 (d) Disclose that self-service storage insurance may
122 provide duplication of coverage already provided by an
123 occupant's, homeowner's, renter's, or other source of
124 coverage;

125 (3) A limited lines self-service storage producer's
126 employee or authorized representative, who is not licensed
127 as an insurance producer, may not:

128 (a) Evaluate or interpret the technical terms,
129 benefits, and conditions of the offered self-service storage
130 insurance coverage;

131 (b) Evaluate or provide advice concerning a
132 prospective purchaser's existing insurance coverage; or

133 (c) Hold themselves or itself out as a licensed
134 insurer, licensed producer, or insurance expert;

135 (4) If self-service storage insurance is offered to
136 the customer, premium or other charges specifically
137 applicable to self-service storage insurance shall be listed
138 as a separate amount and apart from other charges relating
139 to the lease and/or procurement of a self-service storage
140 unit on all documentation pertinent to the transaction.

141 3. Notwithstanding any other provision of law, a
142 limited lines self-service storage insurance provider whose
143 insurance-related activities, and those of its employees and
144 authorized representatives, are limited to offering and
145 disseminating self-service storage insurance on behalf of
146 and under the direction of a limited lines self-service
147 storage insurance producer meeting the conditions stated in
148 this section is authorized to do so and receive related
149 compensation, upon registration by the limited lines self-
150 service storage insurance producer as described in paragraph
151 (b) of subdivision (1) of subsection 2 of this section.

152 4. Self-service storage insurance may be provided
153 under an individual policy or under a group or master policy.

154 5. Limited lines self-service storage insurance
155 producers, operators, employees and authorized
156 representatives offering and disseminating self-service
157 storage insurance under the limited lines self-service
158 storage insurance producer license shall be subject to the
159 provisions of chapters 374 and 375, except as provided for
160 in this section.

161 6. Limited lines self-service storage insurance
162 producers, operators, employees and authorized

163 representatives may offer and disseminate self-service
164 storage insurance policies in an amount not to exceed **[five]**
165 **fifteen** thousand dollars of coverage per customer per
166 storage unit.

167 7. The director may promulgate rules to effectuate
168 this section. Any rule or portion of a rule, as that term
169 is defined in section 536.010, that is created under the
170 authority delegated in this section shall become effective
171 only if it complies with and is subject to all of the
172 provisions of chapter 536 and, if applicable, section
173 536.028. This section and chapter 536 are nonseverable and
174 if any of the powers vested with the general assembly
175 pursuant to chapter 536 to review, to delay the effective
176 date, or to disapprove and annul a rule are subsequently
177 held unconstitutional, then the grant of rulemaking
178 authority and any rule proposed or adopted after August 28,
179 2016, shall be invalid and void.

380.621. 1. This section shall be known and may be
2 cited as the "Protecting Missouri's Mutual Insurance
3 Companies Act".

4 2. As used in this section, the following terms shall
5 mean:

6 (1) "Adequate reinsurance", commercially available
7 reinsurance as deemed appropriate by the board of directors
8 of the company;

9 (2) "Unlimited aggregate reinsurance", aggregate
10 reinsurance coverage where the losses covered by the
11 reinsurer are not limited.

12 3. Notwithstanding any provision of law to the
13 contrary, the authority expressly granted in this chapter
14 shall be the sole authority granted to the department over
15 any Missouri mutual insurance company operating under the

16 provisions of this chapter, provided that any provisions
17 regarding premium taxation set forth in chapter 148 that are
18 applicable to Missouri mutual insurance companies shall
19 remain applicable to Missouri mutual insurance companies and
20 further, provided that chapter 382 shall remain applicable
21 to any Missouri mutual insurance company that is a member
22 of, or is seeking to become a member of, an "insurance
23 holding company system", as that term is defined in section
24 382.010, provided that any examination authorized by chapter
25 382 shall comply with subsections 6 and 7 of this section
26 where a Missouri mutual insurance company owns, in whole or
27 part, an affiliate subject to examination. The department
28 shall not require any company operating under the provisions
29 of this chapter to waive any rights, benefits, or
30 requirements specified in this chapter, nor shall it confer
31 favorable treatment in exchange for, nor condition the
32 granting of any exception upon, any company conceding
33 additional regulatory oversight by the department. If the
34 department and any company operating under the provisions of
35 this chapter have entered into any agreement in which the
36 department has received concessions including, but not
37 limited to, additional regulatory oversight beyond the
38 authority expressly granted in this chapter, such agreement
39 as it relates to the department's authority is void upon the
40 enactment of this section, but such agreement shall remain
41 in full force and effect for the stated duration of the
42 agreement as it relates to any benefits, allowances, or
43 exemptions granted to the company by the agreement.

44 4. (1) Notwithstanding any provision of law to the
45 contrary, nothing in this chapter nor any regulation
46 promulgated by the department including, but not limited to,
47 any regulation promulgated under sections 374.045, 380.021,

48 380.271, and 380.561, shall require or be construed to
49 require any company operating under the provisions of this
50 chapter to acquire or carry reinsurance greater than
51 adequate reinsurance including, but not limited to,
52 unlimited aggregate reinsurance. Nothing in this section
53 shall be construed to limit the option of an offer of
54 unlimited aggregate reinsurance.

55 (2) Missouri mutual insurance companies operating
56 under the provisions of this chapter shall annually file the
57 following with the director no later than March first of
58 each calendar year:

59 (a) Documentation from the reinsurer or broker of its
60 reinsurance program, such as the reinsurance coverage
61 summary or other similar documentation; and

62 (b) A resolution from the company's board of directors
63 stating that:

64 a. The board has reviewed the terms of the reinsurance
65 obtained by the company and believes it is sufficient to
66 protect the financial stability of the company for the
67 upcoming calendar year;

68 b. The board agrees to notify the director within
69 fifteen days after any event, or as soon as practicable
70 thereafter if adverse development occurs to trigger this
71 notification, that is expected to exceed the company's
72 aggregate or catastrophe attachment point or could cause the
73 company's reinsurance coverage to be exhausted; and

74 c. The board agrees to notify the director within
75 fifteen days after the company identifies liquidity concerns
76 that could impact the company's ability to pay claims or
77 determines that the company's surplus is less than its
78 admitted assets minus liabilities plus the reserve fund or

79 adequate guaranty fund required by section 380.021 or
80 380.271, as applicable.

81 5. Notwithstanding any provision of law to the
82 contrary including, but not limited to, the provisions of
83 section 380.321, the director shall not have the authority
84 to hold a hearing regarding a proposed merger of companies
85 operating pursuant to the provisions of this chapter unless
86 the director has substantial and competent evidence to
87 believe the proposed merger will prejudice the interests of
88 the policyholders of the companies. The director shall have
89 fifteen business days to review the petition for merger and,
90 upon substantial and competent evidence to believe the
91 proposed merger will prejudice the interests of the
92 policyholders of the companies, send a written notice of a
93 hearing regarding the proposed merger. The written notice
94 of hearing shall itemize the reasons why the director
95 believes the proposed merger will prejudice the
96 policyholders of the companies and shall include the date of
97 a hearing regarding the proposed merger no earlier than
98 thirty days and no later than sixty days after the notice of
99 hearing is received by the companies involved in the
100 proposed merger.

101 6. All working papers, recorded information,
102 documents, and copies thereof, produced by, obtained by, or
103 disclosed to the department or any other person in the
104 course of an examination made under this chapter shall be
105 confidential and not subject to subpoena and shall not be
106 made public by the department or shared with any other
107 person, except as follows:

108 (1) Upon adoption, the director may open the final
109 examination report for public inspection;

110 (2) The director may disclose the content of an
111 examination report, preliminary examination report or
112 results, or any matter relating thereto, to the insurance
113 department of this or any other state or country, or to law
114 enforcement officials of this or any other state or agency
115 of the federal government at any time, so long as such
116 agency or office receiving the report or matters relating
117 thereto agrees in writing to hold it confidential and in a
118 manner consistent with this section; and

119 (3) In the event the director determines that legal or
120 regulatory action is appropriate as a result of any
121 examination, he or she may initiate any proceedings or
122 actions as provided by law.

123 7. (1) Notwithstanding the provisions of section
124 380.491, the department shall not charge a rate for
125 examinations in excess of a reasonable fee. A reasonable fee
126 is determined by the average market rate typically charged
127 by third-party vendors for such services.

128 (2) At any time after notification of the commencement
129 of an examination and through its completion, a company may
130 request on a prospective basis that the department's monthly
131 examination billing statements include the following
132 additional details:

133 (a) Hours billed for an examination shall be recorded
134 in a billing statement provided to the company each month
135 that sets forth the time spent, using fifteen-minute
136 increments, for each billing examiner multiplied by the
137 applicable hourly rate;

138 (b) Billing statements shall include a short and
139 concise statement of the work performed during the month to
140 which the billing statement applies by the billing examiner
141 for each period of time spent on the examination;

142 (c) The hourly rate for a department employee shall be
143 listed on the billing statement and shall include the
144 employee's salary, benefits, and other expenses of the
145 examination;

146 (d) The hourly rate for a third-party vendor shall be
147 the lowest and best hourly rate obtained by the department
148 by and through the state procurement process; and

149 (e) Billing statements shall also include any other
150 expenses or the examination, including travel expenses, as
151 allowed by section 380.491.

152 (3) At any time after notification of the commencement
153 of an examination and through its completion, a company may
154 request a scheduling conference with the department to
155 discuss the following:

156 (a) The purpose and scope of the examination;

157 (b) The estimated costs of the examination;

158 (c) The types of information that the company will be
159 asked to produce;

160 (d) The most efficient means of conducting the
161 examination; and

162 (e) Any alternative approaches in conducting the
163 examination that would be more convenient, less burdensome,
164 or less expensive for the company while still providing for
165 an effective examination by the department.

166 (4) (a) No more than thirty days after the scheduling
167 conference, the department shall provide the company with a
168 detailed written budget estimate for the examination that
169 shall, for each forthcoming phase of the examination:

170 a. Identify the individuals or firms performing the
171 examination and their daily or hourly rates;

172 b. Provide an estimate of travel, lodging, meal, and
173 other administrative or supply costs; and

174 c. Estimate the length of time necessary to conduct on-
175 site and off-site examination activities.

176 (b) Within fifteen days of receipt of a budget
177 estimate under paragraph (a) of this subdivision, the
178 company and the department shall have an additional
179 discussion regarding the most efficient means of conducting
180 the examination and producing information. If necessary,
181 revisions of the budget estimate shall be made.

182 (c) The time periods under paragraphs (a) and (b) of
183 this subdivision may be extended if the company and the
184 department mutually agree to the extension.

185 (d) At any time during the examination, the department
186 shall hold another scheduling conference with the company in
187 accordance with the provisions of this subsection and
188 provide a revised budget estimate as set forth in paragraph
189 (a) of this subdivision if:

190 a. The department determines that the cost of the
191 examination will exceed the stated estimated budget by more
192 than ten percent; or

193 b. There is a material change in staffing.

380.631. 1. This section applies to any company
2 operating under the provisions of this chapter.

3 2. Notwithstanding any provision of law to the
4 contrary including, but not limited to, the definition of
5 "insolvent" under section 375.1152, a company operating
6 under the provisions of this chapter is "insolvent" as such
7 term is used in sections 375.1150 to 375.1246, if it is
8 unable to pay its obligations when they are due, or if its
9 admitted assets do not exceed its liabilities plus the
10 reserve fund or adequate guaranty fund required by section
11 380.021 or 380.271, as applicable.

12 3. Notwithstanding any provision of law to the
13 contrary including, but not limited to, the specific
14 exception under subdivision (1) of subsection 2 of section
15 375.1150, the provisions of sections 375.1150 to 375.1246
16 shall apply to all companies operating under the provisions
17 of this chapter, except that such companies shall not be
18 subject to sections 375.1160 to 375.1164. Sections 375.570
19 to 375.750 shall apply to such proceedings.

20 4. Notwithstanding any provision of law to the
21 contrary including, but not limited to, the definition of
22 "insolvent insurer" under section 375.772, a company
23 operating under the provisions of this chapter is an
24 "insolvent insurer" as such term is used in sections 375.771
25 to 375.779, upon the entry of a final order of liquidation
26 with a finding of insolvency by a court of competent
27 jurisdiction under the applicable provisions of sections
28 375.1150 to 375.1246, unless such order of liquidation has
29 been stayed or been the subject of a writ of supersedeas or
30 other comparable order.

 408.035. Notwithstanding the provisions of any other
2 law to the contrary, it is lawful for the parties to agree
3 in writing to any rate of interest, fees, and other terms
4 and conditions in connection with any:

- 5 (1) Loan to a corporation, general partnership,
6 limited partnership or limited liability company;
- 7 (2) Extension of credit primarily for agricultural,
8 business, or commercial purposes;
- 9 (3) Real estate loan, other than residential real
10 estate loans [and loans of less than five thousand dollars
11 secured by real estate used for an agricultural activity]; or
12 (4) Loan of five thousand dollars or more secured
13 solely by certificates of stock, bonds, bills of exchange,

14 certificates of deposit, warehouse receipts, or bills of
15 lading pledged as collateral for the repayment of such loans.

408.140. 1. No further or other charge or amount
2 whatsoever shall be directly or indirectly charged,
3 contracted for or received for interest, service charges or
4 other fees as an incident to any such extension of credit
5 except as provided and regulated by sections 367.100 to
6 367.200 and except:

7 (1) On loans for thirty days or longer which are other
8 than "open-end credit" as such term is defined in the
9 federal Consumer Credit Protection Act and regulations
10 thereunder, a fee, not to exceed ten percent of the
11 principal amount loaned not to exceed one hundred dollars
12 may be charged by the lender; however, no such fee shall be
13 permitted on any extension, refinance, restructure or
14 renewal of any such loan, unless any investigation is made
15 on the application to extend, refinance, restructure or
16 renew the loan;

17 (2) The lawful fees actually and necessarily paid out
18 by the lender to any public officer for filing, recording,
19 or releasing in any public office any instrument securing
20 the loan, and reasonable and bona fide third-party fees
21 incurred for remote or electronic filing, which fees may be
22 collected when the loan is made or at any time thereafter;
23 however, premiums for insurance in lieu of perfecting a
24 security interest required by the lender may be charged if
25 the premium does not exceed the fees which would otherwise
26 be payable;

27 (3) If the contract so provides, a charge for late
28 payment on each installment or minimum payment in default
29 for a period of not less than fifteen days in an amount not
30 to exceed five percent of each installment due or the

31 minimum payment due or fifteen dollars, whichever is
32 greater, not to exceed fifty dollars. If the contract so
33 provides, a charge for late payment on each twenty-five
34 dollars or less installment in default for a period of not
35 less than fifteen days shall not exceed five dollars;

36 (4) If the contract so provides, a charge for late
37 payment for a single payment note in default for a period of
38 not less than fifteen days in an amount not to exceed five
39 percent of the payment due; provided that, the late charge
40 for a single payment note shall not exceed fifty dollars;

41 (5) Charges or premiums for insurance written in
42 connection with any loan against loss of or damage to
43 property or against liability arising out of ownership or
44 use of property as provided in section 367.170; however,
45 notwithstanding any other provision of law, with the consent
46 of the borrower, such insurance may cover property all or
47 part of which is pledged as security for the loan, and
48 charges or premiums for insurance providing life, health,
49 accident, or involuntary unemployment coverage;

50 (6) Reasonable towing costs and expenses of retaking,
51 holding, preparing for sale, and selling any personal
52 property in accordance with the uniform commercial code -
53 secured transactions, sections 400.9-101 to 400.9-809;

54 (7) A reasonable service fee not to exceed the amount
55 permitted under subdivision (2) of subsection 6 of section
56 570.120 for any check, draft, order, or like instrument that
57 is returned unpaid by a financial institution, plus an
58 amount equal to the actual fees charged by the financial
59 institution for each check, draft, order, or like instrument
60 returned unpaid;

61 (8) If the contract or promissory note, signed by the
62 borrower, provides for attorney fees, and if it is necessary

63 to bring suit, such attorney fees may not exceed fifteen
64 percent of the amount due and payable under such contract or
65 promissory note, together with any court costs assessed.

66 The attorney fees shall only be applicable where the
67 contract or promissory note is referred for collection to an
68 attorney, and is not handled by a salaried employee of the
69 holder of the contract;

70 (9) If the open-end credit contract is tied to a
71 transaction account in a depository institution, such
72 account is in the institution's assets and such contract
73 provides for loans of thirty-one days or longer which are
74 "open-end credit", as such term is defined in the federal
75 Consumer Credit Protection Act and regulations thereunder,
76 the creditor may charge a credit advance fee of up to the
77 lesser of seventy-five dollars or ten percent of the credit
78 advanced from time to time from the line of credit; such
79 credit advance fee may be added to the open-end credit
80 outstanding along with any interest, and shall not be
81 considered the unlawful compounding of interest as specified
82 under section 408.120;

83 (10) A deficiency waiver addendum, guaranteed asset
84 protection, or a similar product purchased as part of a loan
85 transaction with collateral and at the borrower's consent,
86 provided the cost of the product is disclosed in the loan
87 contract, is reasonable, and the requirements of section
88 408.380 are met;

89 (11) A convenience fee for payments using an
90 alternative payment channel that accepts a debit or credit
91 card not present transaction, nonface-to-face payment,
92 provided that:

93 (a) The person making the payment is notified of the
94 convenience fee; and

95 (b) The fee is fixed or flat, except that the fee may
96 vary based upon method of payment used; **and**

97 **(12) A charge equal to the cost of the credit report.**

98 2. Other provisions of law to the contrary
99 notwithstanding, an open-end credit contract under which a
100 credit card is issued by a company, financial institution,
101 savings and loan or other credit issuing company whose
102 credit card operations are located in Missouri may charge an
103 annual fee, provided that no finance charge shall be
104 assessed on new purchases other than cash advances if such
105 purchases are paid for within twenty-five days of the date
106 of the periodic statement therefor.

107 3. Notwithstanding any other provision of law to the
108 contrary, in addition to charges allowed pursuant to section
109 408.100, an open-end credit contract provided by a company,
110 financial institution, savings and loan or other credit
111 issuing company which is regulated pursuant to this chapter
112 may charge an annual fee not to exceed fifty dollars.

**427.300. 1. This section shall be known, and may be
2 cited as, the "Commercial Financing Disclosure Law".**

3 **2. For purposes of this section, the following terms
4 mean:**

5 **(1) "Account";**

6 **(a) Includes:**

7 **a. A right to payment of a monetary obligation,
8 regardless of whether earned by performance, for one of the
9 following:**

10 **(i) Property that has been or is to be sold, leased,
11 licensed, assigned, or otherwise disposed of;**

12 **(ii) Services rendered or to be rendered;**

13 **(iii) A policy of insurance issued or to be issued;**

14 **(iv) A secondary obligation incurred or to be incurred;**

- 15 (v) Energy provided or to be provided;
- 16 (vi) The use or hire of a vessel under a charter or
17 other contract;
- 18 (vii) Arising out of the use of a credit or charge
19 card or information contained on or for use with the card; or
- 20 (viii) As winnings in a lottery or other game of
21 chance operated or sponsored by a state, governmental unit
22 of a state, or person licensed or authorized to operate the
23 game by a state or governmental unit of a state; and
- 24 b. Health-care-insurance receivables; and
- 25 (b) Does not include:
- 26 a. Rights to payment evidenced by chattel paper or an
27 instrument;
- 28 b. Commercial tort claims;
- 29 c. Deposit accounts;
- 30 d. Investment property;
- 31 e. Letter-of-credit rights or letters of credit; or
- 32 f. Rights to payment for moneys or funds advanced or
33 sold, other than rights arising out of the use of a credit
34 or charge card or information contained on or for use with
35 the card;
- 36 (2) "Accounts receivable purchase transaction", any
37 transaction in which the business forwards or otherwise
38 sells to the provider all or a portion of the business's
39 accounts or payment intangibles at a discount to their
40 expected value. The provider's characterization of an
41 accounts receivable purchase transaction as a purchase is
42 conclusive that the accounts receivable purchase transaction
43 is not a loan or a transaction for the use, forbearance, or
44 detention of money;
- 45 (3) "Broker", any person who, for compensation or the
46 expectation of compensation, obtains a commercial financing

47 transaction or an offer for a commercial financing
48 transaction from a third party that would, if executed, be
49 binding upon that third party and communicates that offer to
50 a business located in this state. The term "broker"
51 excludes a provider, or any individual or entity whose
52 compensation is not based or dependent on the terms of the
53 specific commercial financing transaction obtained or
54 offered;

55 (4) "Business", an individual or group of individuals,
56 sole proprietorship, corporation, limited liability company,
57 trust, estate, cooperative, association, or limited or
58 general partnership engaged in a business activity;

59 (5) "Business purpose transaction", any transaction
60 where the proceeds are provided to a business or are
61 intended to be used to carry on a business and not for
62 personal, family, or household purposes. For purposes of
63 determining whether a transaction is a business purpose
64 transaction, the provider may rely on any written statement
65 of intended purpose signed by the business. The statement
66 may be a separate statement or may be contained in an
67 application, agreement, or other document signed by the
68 business or the business owner or owners;

69 (6) "Commercial financing facility", a provider's plan
70 for purchasing multiple accounts receivable from the
71 recipient over a period of time pursuant to an agreement
72 that sets forth the terms and conditions governing the use
73 of the facility;

74 (7) "Commercial financing transaction", any commercial
75 loan, accounts receivable purchase transaction, commercial
76 open-end credit plan or each to the extent the transaction
77 is a business purpose transaction;

- 78 (8) "Commercial loan", a loan to a business, whether
79 secured or unsecured;
- 80 (9) "Commercial open-end credit plan", commercial
81 financing extended by any provider under a plan in which:
82 (a) The provider reasonably contemplates repeat
83 transactions; and
84 (b) The amount of financing that may be extended to
85 the business during the term of the plan, up to any limit
86 set by the provider, is generally made available to the
87 extent that any outstanding balance is repaid;
- 88 (10) "Depository institution", any of the following:
89 (a) A bank, trust company, or industrial loan company
90 doing business under the authority of, or in accordance
91 with, a license, certificate, or charter issued by the
92 United States, this state, or any other state, district,
93 territory, or commonwealth of the United States that is
94 authorized to transact business in this state;
95 (b) A federally chartered savings and loan
96 association, federal savings bank, or federal credit union
97 that is authorized to transact business in this state; or
98 (c) A savings and loan association, savings bank, or
99 credit union organized under the laws of this or any other
100 state that is authorized to transact business in this state;
- 101 (11) "General intangible", any personal property,
102 including things in action, other than accounts, chattel
103 paper, commercial tort claims, deposit accounts, documents,
104 goods, instruments, investment property, letter-of-credit
105 rights, letters of credit, money, and oil, gas, or other
106 minerals before extraction. "General intangible" also
107 includes payment intangibles and software;

108 (12) "Payment intangible", a general intangible under
109 which the account debtor's principal obligation is a
110 monetary obligation;

111 (13) "Provider", a person who consummates more than
112 five commercial financing transactions to a business located
113 in this state in any calendar year. "Provider" also
114 includes a person that enters into a written agreement with
115 a depository institution to arrange for the extension of a
116 commercial financing transaction by the depository
117 institution to a business via an online lending platform
118 administered by the person. The fact that a provider
119 extends a specific offer for a commercial financing
120 transaction on behalf of a depository institution shall not
121 be construed to mean that the provider engaged in lending or
122 financing or originated that loan or financing.

123 3. (1) A provider that consummates a commercial
124 financing transaction shall disclose the terms of the
125 commercial financing transaction as required by this
126 section. The disclosures shall be provided at or before
127 consummation of the transaction. Only one disclosure is
128 required for each commercial financing transaction, and a
129 disclosure is not required as a result of the modification,
130 forbearance, or change to a consummated commercial financing
131 transaction.

132 (2) A provider shall disclose the following in
133 connection with each commercial financing transaction:

134 (a) The total amount of funds provided to the business
135 under the terms of the commercial financing transaction
136 agreement. This disclosure shall be labeled "Total Amount
137 of Funds Provided";

138 (b) The total amount of funds disbursed to the
139 business under the terms of the commercial financing

140 transaction, if less than the total amount of funds
141 provided, as a result of any fees deducted or withheld at
142 disbursement and any amount paid to a third party on behalf
143 of the business. This disclosure shall be labeled "Total
144 Amount of Funds Disbursed";

145 (c) The total amount to be paid to the provider
146 pursuant to the commercial financing transaction agreement.
147 This disclosure shall be labeled "Total of Payments";

148 (d) The total dollar cost of the commercial financing
149 transaction under the terms of the agreement, derived by
150 subtracting the total amount of funds provided from the
151 total of payments. This calculation shall include any fees
152 or charges deducted by the provider from the "Total Amount
153 of Funds Provided". This disclosure shall be labeled "Total
154 Dollar Cost of Financing";

155 (e) The manner, frequency, and amount of each
156 payment. This disclosure shall be labeled "Payments". If
157 the payments may vary, the provider shall instead disclose
158 the manner, frequency, and the estimated amount of the
159 initial payment labeled "Estimated Payments" and the
160 commercial financing transaction agreement shall include a
161 description of the methodology for calculating any variable
162 payment and the circumstances when payments may vary;

163 (f) A statement of whether there are any costs or
164 discounts associated with prepayment of the commercial
165 financing product including a reference to the paragraph in
166 the agreement that creates the contractual rights of the
167 parties related to prepayment. This disclosure shall be
168 labeled "Prepayment"; and

169 (3) A provider that consummates a commercial financing
170 facility may provide disclosures of this subsection which
171 are based on an example of a transaction that could occur

172 under the agreement. The example shall be based on an
173 accounts receivable total face amount owed of ten thousand
174 dollars. Only one disclosure is required for each
175 commercial financing facility, and a disclosure is not
176 required as result of a modification, forbearance, or change
177 to the facility. A new disclosure is not required each time
178 accounts receivable are purchased under the facility.

179 4. The provisions of this section shall not apply to
180 the following:

181 (1) A provider that is a depository institution or a
182 subsidiary or affiliate;

183 (2) A provider that is a service corporation to a
184 depository institution that is:

185 (a) Owned and controlled by a depository institution;
186 and

187 (b) Regulated by a federal banking agency;

188 (3) A provider that is a lender regulated under the
189 federal Farm Credit Act, 12 U.S.C. Section 2001, et seq.;

190 (4) A commercial financing transaction that is:

191 (a) Secured by real property;

192 (b) A lease; or

193 (c) A purchase money obligation that is incurred as
194 all or part of the price of the collateral or for value
195 given to enable the business to acquire rights in or the use
196 of the collateral if the value is in fact so used;

197 (5) A commercial financing transaction in which the
198 recipient is a motor vehicle dealer or an affiliate of such
199 a dealer, or a vehicle rental company, or an affiliate of
200 such a company, pursuant to a commercial loan or commercial
201 open-end credit plan of at least fifty thousand dollars or a
202 commercial financing transaction offered by a person in
203 connection with the sale or lease of products or services

204 that such person manufactures, licenses, or distributes, or
205 whose parent company or any of its directly or indirectly
206 owned and controlled subsidiaries manufactures, licenses, or
207 distributes;

208 (6) A commercial financing transaction that is a
209 factoring transaction, purchase, sale, advance, or similar
210 of accounts receivable owed to a health care provider
211 because of a patient's personal injury treated by the health
212 care provider;

213 (7) A provider that is licensed as a money transmitter
214 in accordance with a license, certificate, or charter issued
215 by this state or any other state, district, territory, or
216 commonwealth of the United States;

217 (8) A provider that consummates no more than five
218 commercial financing transactions in this state in a twelve-
219 month period; or

220 (9) A commercial financing transaction of more than
221 five hundred thousand dollars.

222 5. (1) No person shall engage in business as a broker
223 within this state for compensation, unless prior to
224 conducting such business, the person has filed a
225 registration with the division of finance within the
226 department of commerce and insurance and has on file a good
227 and sufficient bond as specified in this subsection. The
228 registration shall be effective upon receipt by the division
229 of finance of a completed registration form and the required
230 registration fee, and shall remain effective until the time
231 of renewal.

232 (2) After filing an initial registration form, a
233 broker shall file, on or before January thirty-first of each
234 year, a renewal registration form along with the required
235 renewal registration fee.

236 (3) The broker shall pay a one-hundred-dollar
237 registration fee upon the filing of an initial registration
238 and a fifty-dollar renewal registration fee upon the filing
239 of a renewal registration.

240 (4) The registration form required by this subsection
241 shall include the following:

242 (a) The name of the broker;

243 (b) The name in which the broker is transacted if
244 different from that stated in paragraph (a) of this
245 subdivision;

246 (c) The address of the broker's principal office,
247 which may be outside this state;

248 (d) Whether any officer, director, manager, operator,
249 or principal of the broker has been convicted of a felony
250 involving an act of fraud, dishonesty, breach of trust, or
251 money laundering; and

252 (e) The name and address in this state of a designated
253 agent upon whom service of process may be made.

254 (5) If information in a registration form changes or
255 otherwise becomes inaccurate after filing, the broker shall
256 not be required to file a further registration form prior to
257 the time of renewal.

258 (6) Every broker shall obtain a surety bond issued by
259 a surety company authorized to do business in this state.
260 The amount of the bond shall be ten thousand dollars. The
261 bond shall be in favor of the state of Missouri. Any person
262 damaged by the broker's breach of contract or of any
263 obligation arising therefrom, or by any violation of this
264 section, may bring an action against the bond to recover
265 damages suffered. The aggregate liability of the surety
266 shall be only for actual damages and in no event shall
267 exceed the amount of the bond.

268 (7) Employees regularly employed by a broker who has
269 complied with this subsection shall not be required to file
270 a registration or obtain a surety bond when acting within
271 the scope of their employment for the broker.

272 6. (1) Any person who violates any provision of this
273 section shall be punished by a fine of five hundred dollars
274 per incident, not to exceed twenty thousand dollars for all
275 aggregated violations arising from the use of the
276 transaction documentation or materials found to be in
277 violation of this section. Any person who violates any
278 provision of this section after receiving written notice of
279 a prior violation from the attorney general shall be
280 punished by a fine of one thousand dollars per incident, not
281 to exceed fifty thousand dollars for all aggregated
282 violations arising from the use of the transaction
283 documentation or materials found to be in violation of this
284 section.

285 (2) Violation of any provision of this section shall
286 not affect the enforceability or validity of the underlying
287 agreement.

288 (3) This section shall not create a private right of
289 action against any person or other entity based upon
290 compliance or noncompliance with its provisions.

291 (4) Authority to enforce compliance with this section
292 is vested exclusively in the attorney general of this state.

293 7. The requirements of subsections 3 and 5 of this
294 section shall take effect upon either:

295 (1) Six months after the division of finance finalizes
296 promulgating rules, if the division intends to promulgate
297 rules; or

298 (2) February 28, 2025, if the division does not intend
299 to promulgate rules.

300 8. The division of finance may promulgate rules
301 implementing this section. If the division of finance
302 intends to promulgate rules, it shall declare its intent to
303 do so no later than February 28, 2025. Any rule or portion
304 of a rule, as that term is defined in section 536.010, that
305 is created under the authority delegated in this section
306 shall become effective only if it complies with and is
307 subject to all of the provisions of chapter 536 and, if
308 applicable, section 536.028. This section and chapter 536
309 are nonseverable and if any of the powers vested with the
310 general assembly pursuant to chapter 536 to review, to delay
311 the effective date, or to disapprove and annul a rule are
312 subsequently held unconstitutional, then the grant of
313 rulemaking authority and any rule proposed or adopted after
314 August 28, 2024, shall be invalid and void.

442.210. 1. The certificate of acknowledgment shall
2 state the act of acknowledgment, and that the person making
3 the same was personally known to at least one judge of the
4 court, or to the officer granting the certificate, to be the
5 person whose name is subscribed to the instrument as a party
6 thereto, or was proved to be such by at least two witnesses,
7 whose names and places of residence shall be inserted in the
8 certificate; and the following forms of acknowledgment may
9 be used in the case of conveyances or other written
10 instruments affecting real estate; and any acknowledgment so
11 taken and certificate shall be sufficient to satisfy all
12 requirements of law relating to the execution or recording
13 of such instruments (begin in all cases by a caption,
14 specifying the state and place where the acknowledgment is
15 taken):

16 (1) In case of natural persons acting in their own
17 right

18 On this _____ day of _____, 20_____, before
19 me personally appeared A B (or A B and C D), to
20 me known to be the person (or persons) described
21 in and who executed the foregoing instrument,
22 and acknowledged that he (or they) executed the
23 same as his (or their) free act and deed.

24 (2) In the case of natural persons acting by attorney
25 On this _____ day of _____, 20_____, before
26 me personally appeared A B, to me known to be
27 the person who executed the foregoing instrument
28 in behalf of C D, and acknowledged that he
29 executed the same as the free act and deed of C
30 D.

31 (3) In the case of corporations or joint stock
32 associations

33 On this _____ day of _____, 20_____, before
34 me appeared A B, to me personally known, who,
35 being by me duly sworn (or affirmed) did say
36 that he is the president (or other officer or
37 agent of the corporation or association), of
38 (describing the corporation or association), and
39 that the seal affixed to foregoing instrument is
40 the corporate seal of said corporation (or
41 association), and that said instrument was
42 signed and sealed in behalf of said corporation
43 (or association) by authority of its board of
44 directors (or trustees), and said A B
45 acknowledged said instrument to be the free act
46 and deed of said corporation (or association).

47 2. In case the corporation or association has no
48 corporate seal, omit the words "the seal affixed to said
49 instrument is the corporate seal of said corporation (or

50 association), and that", and add at the end of the affidavit
51 clause the words "and that said corporation (or association)
52 has no corporate seal".

53 3. (In all cases add signature and title of the
54 officer taking the acknowledgment.)

55 [4. When a married woman unites with her husband in the
56 execution of any such instrument, and acknowledges the same
57 in one of the forms above sanctioned, she shall be described
58 in the acknowledgment as his wife, but in all other respects
59 her acknowledgment shall be taken and certified as if she
60 were sole; and no separate examination of a married woman in
61 respect to the execution of any release or dower, or other
62 instrument affecting real estate, shall be required.]

456.950. 1. As used in this section, "qualified
2 spousal trust" means a trust:

3 (1) The settlors of which are married to each other at
4 the time of the creation of the trust; and

5 (2) The terms of which provide that during the joint
6 lives of the settlors **or the life of the sole surviving**
7 **settlor** all property transferred to, or held by, the trustee
8 are:

9 (a) Held and administered in one trust for the benefit
10 of both settlors, **which may be** revocable by either settlor
11 or both settlors while either or both are alive, **and by one**
12 **settlor after the death or incapacity of the other**, and each
13 settlor having the right to receive distributions of income
14 or principal, whether mandatory or within the discretion of
15 the trustee, from the entire trust for the joint lives of
16 the settlors and for the survivor's life; or

17 (b) Held and administered in two **or more** separate
18 shares of one trust for the benefit of each **or both** of the
19 settlors, with the trust revocable by each settlor with

20 respect to that settlor's separate share of that trust
21 without the participation or consent of the other settlor,
22 and each settlor having the right to receive distributions
23 of income or principal, whether mandatory or within the
24 discretion of the trustee, from that settlor's separate
25 share for that settlor's life; or

26 (c) Held and administered under the terms and
27 conditions contained in paragraphs (a) and (b) of this
28 subdivision.

29 2. A qualified spousal trust may contain any other
30 trust terms that are not inconsistent with the provisions of
31 this section, including, without limitation, a discretionary
32 power to distribute trust property to a person in addition
33 to a settlor.

34 3. All property at any time held in a qualified
35 spousal trust, without regard to how such property was
36 titled prior to it being so held[,]:

37 (1) Shall have the same immunity from the claims of a
38 separate creditor of either settlor as if such property were
39 held outside the trust by the settlors as tenants by the
40 entirety, unless otherwise provided in writing by the
41 settlor or settlors who transferred such property to the
42 trust, and such property shall be treated for that purpose,
43 including without limitation, federal and state bankruptcy
44 laws, as tenants by entirety property[. Property held in a
45 qualified spousal trust];

46 (2) **With the exception of any written financial**
47 **obligations, written guarantees, or secured or unsecured**
48 **transactions executed by the settlors and held in a**
49 **qualified spousal trust, shall continue to be immune and**
50 **exempt from attachment during the life of the surviving**
51 **settlor to the extent the property was held in a qualified**

52 **spousal trust prior to the death of the first settlor and**
53 **remains in a qualified spousal trust. This includes any**
54 **property appreciation; and**

55 (3) Shall cease to receive immunity from the claims of
56 creditors upon the dissolution of marriage of the settlors
57 by a court.

58 4. As used in this section, "property" means any
59 interest in any type of property held in a qualified spousal
60 trust, the income thereon, and any property into which such
61 interest, proceeds, or income may be converted.

62 5. Upon the death of each settlor, all property held
63 by the trustee of the qualified spousal trust shall be
64 distributed as directed by the then current terms of the
65 governing instrument of such trust. Upon the death of the
66 first settlor to die, if immediately prior to death the
67 predeceased settlor's interest in the qualified spousal
68 trust was then held **or deemed to be held** in such settlor's
69 separate share, the property held in such settlor's separate
70 share may pass into an irrevocable trust for the benefit of
71 the surviving settlor **or other beneficiary** upon such terms
72 as the governing instrument shall direct, including without
73 limitation a spendthrift provision as provided in section
74 456.5-502. **Property may be held in or transferred to a**
75 **settlor's joint or separate share of a trust:**

76 (1) **By designation under the current terms of the**
77 **governing instrument of such trust;**

78 (2) **According to the specific titling of property or**
79 **other designation that refers to such joint or separate**
80 **share of such trust; or**

81 (3) **By designation to the trustee as the owner as**
82 **provided in section 456.1-113.**

83 6. The respective rights of settlors who are married
84 to each other in any property for purposes of a dissolution
85 of the settlors' marriage shall not be affected or changed
86 by reason of the transfer of that property to, or its
87 subsequent administration as an asset of, a qualified
88 spousal trust during the marriage of the settlors, unless
89 both settlors expressly agree otherwise in writing.

90 7. No transfer to a qualified spousal trust shall
91 avoid or defeat the Missouri uniform fraudulent transfer act
92 in chapter 428.

93 8. This section shall apply to all trusts which
94 fulfill the criteria set forth in this section for a
95 qualified spousal trust regardless of whether such trust was
96 created before, on, or after August 28, 2011.

 [95.280. 1. Subject to the provisions of
2 section 110.030, the city council, at its
3 regular meetings in July of each year, may
4 receive sealed proposals for the deposit of the
5 city funds from banking institutions doing
6 business within the city that desire to be
7 selected as the depository of the funds of the
8 city. Notice that bids will be received shall
9 be published by the city clerk not less than one
10 nor more than four weeks before the meeting, in
11 some newspaper published in the city. Any
12 banking institution doing business in the city,
13 desiring to bid, shall deliver to the city
14 clerk, on or before the day of the meeting, a
15 sealed proposal stating the rate percent upon
16 daily balances that the banking institution
17 offers to pay to the city for the privilege of
18 being the depository of the funds of the city
19 for the year next ensuing the date of the
20 meeting; or, in the event that the selection is
21 made for a less term than one year, as herein
22 provided, then for the time between the date of
23 the bid and the next regular time for the
24 selection of a depository. It is a misdemeanor

25 for the city clerk or other person to disclose
26 directly or indirectly the amount of any bid to
27 any person before the selection of the
28 depository.

29 2. Notwithstanding the provisions of
30 subsection 1 of this section to the contrary,
31 the city council of any third class city with a
32 population of more than fifteen thousand and
33 less than nineteen thousand that is located in
34 any county of the fourth classification with a
35 population of more than forty thousand and less
36 than forty-eight thousand three hundred, or of
37 any city of the third classification with more
38 than ten thousand five hundred but less than ten
39 thousand six hundred inhabitants may receive
40 sealed proposals for the deposit of city funds
41 from banking institutions doing business within
42 the city at any of the regular meetings of such
43 city. The city shall send notice of bids to
44 each banking institution in the city by regular
45 mail at the time the notice is published in the
46 newspaper in subsection 1 of this section. The
47 banking institution selected as the depository
48 shall be offered a depository contract for a
49 maximum of two years. Any such city shall
50 follow the bid procedure established in
51 subsection 1 of this section, except as
52 otherwise provided in this subsection.]

[95.285. 1. Except as provided in
2 subsection 2 of this section, upon the opening
3 of the sealed proposals submitted, the city
4 council shall select as the depository of the
5 funds of the city the banking institution
6 offering to pay to the city the largest amount
7 for the privilege; except that the council may
8 reject any or all bids. Within five days after
9 the selection of the depository, the banking
10 institution selected shall deposit the
11 securities as required by sections 110.010 and
12 110.020. The rights and duties of the parties
13 to the depository contract are as provided in
14 section 110.010.]

15 2. Notwithstanding any provision of
16 section 95.280 or this section to the contrary,
17 the contract term for any city of the third
18 classification with more than ten thousand five
19 hundred but less than ten thousand six hundred
20 inhabitants shall begin on the first day of
21 August following the receipt of the bid
22 proposals.]

 [95.355. Boards of aldermen in cities of
2 the fourth class, at their first regular
3 meetings in the months of January, April, July
4 and October of each year, may select a
5 depository for the funds of their respective
6 cities, for the length of time and under the
7 rules and regulations that are provided and
8 prescribed by ordinance therefor. The rights
9 and duties of the parties to the depository
10 contract are as provided in section 110.010.
11 The deposits shall be secured by deposit of
12 securities as required by sections 110.010 and
13 110.020. The depository shall be a banking
14 institution doing business within the city. If
15 such depository cannot be selected, or such
16 satisfactory arrangements made, the boards of
17 aldermen may invest the moneys upon the terms
18 and under the conditions provided by law for the
19 loaning of county and school moneys.]

 [361.700. 1. Sections 361.700 to 361.727
2 shall be known and may be cited as the "Sale of
3 Checks Law".

 2. For the purposes of sections 361.700 to
5 361.727, the following terms mean:

6 (1) "Check", any instrument for the
7 transmission or payment of money and shall also
8 include any electronic means of transmitting or
9 paying money;

10 (2) "Director", the director of the
11 division of finance;

12 (3) "Licensee", any person duly licensed
13 by the director pursuant to sections 361.700 to
14 361.727;

15 (4) "Person", any individual, partnership,
16 association, trust or corporation.]

2 [361.705. 1. No person shall issue checks
3 in this state for a consideration without first
4 obtaining a license from the director; provided,
5 however, that sections 361.700 to 361.727 shall
6 not apply to the receipt of money by an
7 incorporated telegraph company at any office or
8 agency of such company for immediate
9 transmission by telegraph nor to any bank, trust
10 company, savings and loan association, credit
11 union, or agency of the United States government.

12 2. Any person who violates any of the
13 provisions of sections 361.700 to 361.727 or
14 attempts to sell or issue checks without having
15 first obtained a license from the director shall
be deemed guilty of a class A misdemeanor.]

[361.707. 1. Each application for a
2 license pursuant to sections 361.700 to 361.727
3 shall be in writing and under oath to the
4 director in such form as he may prescribe. The
5 application shall state the full name and
6 business address of:

7 (1) The proprietor, if the applicant is an
8 individual;

9 (2) Every member, if the applicant is a
10 partnership or association;

11 (3) The corporation and each officer and
12 director thereof, if the applicant is a
13 corporation.

14 2. Each application for a license shall be
15 accompanied by an investigation fee of three
16 hundred dollars. If the license is granted the
17 investigation fee shall be applied to the
18 license fee for the first year. No
19 investigation fee shall be refunded.]

[361.711. Each application for a license
2 shall be accompanied by a corporate surety bond
3 in the principal sum of one hundred thousand
4 dollars. The bond shall be in form satisfactory
5 to the director and shall be issued by a bonding
6 company or insurance company authorized to do
7 business in this state, to secure the faithful
8 performance of the obligations of the applicant
9 and the agents and subagents of the applicant

10 with respect to the receipt, transmission, and
11 payment of money in connection with the sale or
12 issuance of checks and also to pay the costs
13 incurred by the division to remedy any breach of
14 the obligations of the applicant subject to the
15 bond or to pay examination costs of the division
16 owed and not paid by the applicant. Upon
17 license renewal, the required amount of bond
18 shall be as follows:

19 (1) For all licensees selling payment
20 instruments or stored value cards, five times
21 the high outstanding balance from the previous
22 year with a minimum of one hundred thousand
23 dollars and a maximum of one million dollars;

24 (2) For all licensees receiving money for
25 transmission, five times the greatest amount
26 transmitted in a single day during the previous
27 year with a minimum of one hundred thousand
28 dollars and a maximum of one million dollars.

29 If in the opinion of the director the bond shall
30 at any time appear to be inadequate, insecure,
31 exhausted, or otherwise doubtful, additional
32 bond in form and with surety satisfactory to the
33 director shall be filed within fifteen days
34 after notice of the requirement is given to the
35 licensee by the director. An applicant or
36 licensee may, in lieu of filing any bond
37 required under this section, provide the
38 director with an irrevocable letter of credit,
39 as defined in section 400.5-103, issued by any
40 state or federal financial institution.

41 Whenever in the director's judgment it is
42 necessary or expedient, the director may perform
43 a special examination of any person licensed
44 under sections 361.700 to 361.727 with all
45 authority under section 361.160 as though the
46 licensee were a bank. The cost of such
47 examination shall be paid by the licensee.]

2 [361.715. 1. Upon the filing of the
3 application, the filing of a certified audit,
4 the payment of the investigation fee and the
5 approval by the director of the necessary bond,
the director shall cause, investigate, and

6 determine whether the character, responsibility,
7 and general fitness of the principals of the
8 applicant or any affiliates are such as to
9 command confidence and warrant belief that the
10 business of the applicant will be conducted
11 honestly and efficiently and that the applicant
12 is in compliance with all other applicable state
13 and federal laws. If satisfied, the director
14 shall issue to the applicant a license pursuant
15 to the provisions of sections 361.700 to
16 361.727. In processing a renewal license, the
17 director shall require the same information and
18 follow the same procedures described in this
19 subsection.

20 2. Each licensee shall pay to the director
21 before the issuance of the license, and annually
22 thereafter on or before April fifteenth of each
23 year, a license fee of four hundred dollars.

24 3. The director may assess a reasonable
25 charge, not to exceed four hundred dollars, for
26 any application to amend and reissue an existing
27 license.]

[361.718. Every licensee shall at all
2 times have on demand deposit in a federally
3 insured depository institution or in the form of
4 cash on hand or in the hands of his agents or in
5 readily marketable securities an amount equal to
6 all outstanding unpaid checks sold by him or his
7 agents in Missouri, in addition to the amount of
8 his bond. Upon demand by the director,
9 licensees must immediately provide proof of such
10 funds or securities. The director may make such
11 demand as often as reasonably necessary and
12 shall make such demand to each licensee, without
13 prior notice, at least twice each license year.]

[361.720. Each licensee may conduct
2 business at one or more locations within this
3 state and by means of employees, agents,
4 subagents or representatives as such licensee
5 may designate. No license under sections
6 361.700 to 361.727 shall be required of any such
7 employee, agent, subagent or representative who
8 sells checks in behalf of a licensee. Each such

9 agent, subagent or representative shall upon
10 demand transfer and deliver to the licensee the
11 proceeds of the sale of licensee's checks less
12 the fees, if any, due such agent, subagent or
13 representative.]

2 [361.723. Each licensee shall file with
3 the director annually on or before April
4 fifteenth of each year a statement listing the
5 locations of the offices of the licensee and the
6 names and locations of the agents or subagents
7 authorized by the licensee to engage in the sale
8 of checks of which the licensee is the issuer.]

2 [361.725. The director may at any time
3 suspend or revoke a license, for any reason he
4 might refuse to grant a license, for failure to
5 pay an annual fee or for a violation of any
6 provision of sections 361.700 to 361.727. No
7 license shall be denied, revoked or suspended
8 except on ten days' notice to the applicant or
9 licensee. Upon receipt of such notice the
10 applicant or licensee may, within five days of
11 such receipt, make written demand for a
12 hearing. The director shall thereafter hear and
13 determine the matter in accordance with the
provisions of chapter 536.]

2 [361.727. The director shall issue
3 regulations necessary to carry out the intent
4 and purposes of sections 361.700 to 361.727,
5 pursuant to the provisions of section 361.105
and chapter 536.]

