

SECOND REGULAR SESSION

# HOUSE BILL NO. 1873

## 94TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE YATES.

Read 1st time January 28, 2008 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

4679L.01I

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### AN ACT

To repeal section 381.412, RSMo, and to enact in lieu thereof one new section relating to real estate transactions, with an emergency clause.

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

Section A. Section 381.412, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 381.412, to read as follows:

381.412. 1. A settlement agent who accepts funds **of more than two thousand five hundred dollars** for closing a sale of an interest in real estate shall require a buyer, seller, or lender who is not a financial institution to convey such funds to the settlement agent as certified funds. A check shall be exempt from the provisions of this section if drawn on:

(1) An escrow account of a licensed real estate broker, as regulated and described in section 339.105, RSMo; or

(2) An escrow account of a title insurer or title insurance agency licensed to do business in Missouri; or

(3) An agency of the United States of America, the state of Missouri, or any county or municipality of the state of Missouri; or

(4) An account by a financial institution.

2. It is unlawful for any title insurer, title agency, or title agent, as defined in section 381.009, to make any payment, disbursement or withdrawal from an escrow account which it maintains as a depository of funds received from the public for the settlement of real estate

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 transactions unless a corresponding deposit of funds was made to the escrow account for the  
16 benefit of the payee or payees:

17 (1) At least ten days prior to such payment, disbursement, or withdrawal; or

18 (2) Which consisted of certified funds; or

19 (3) Consisted of a check made exempt from this section by the provisions of subsection  
20 1 of this section.

21 3. A violation of any provision of this section is a level two violation under section  
22 374.049, RSMo.

Section B. Because immediate action is necessary to facilitate real estate transactions in  
2 this state, section A of this act is deemed necessary for the immediate preservation of the public  
3 health, welfare, peace, and safety, and is hereby declared to be an emergency act within the  
4 meaning of the constitution, and section A of this act shall be in full force and effect upon its  
5 passage and approval.

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