

SECOND REGULAR SESSION

[CORRECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

SENATE SUBSTITUTE FOR

SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 931

101ST GENERAL ASSEMBLY

3709H.09C

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 44.032, 130.029, 135.800, 135.802, 135.805, 135.810, 135.815, 135.825, 143.081, 143.114, 143.119, 215.020, 347.020, 347.143, 347.179, 347.183, 347.186, 358.460, and 358.470, RSMo, and to enact in lieu thereof thirty-seven new sections relating to businesses, with penalty provisions.

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

Section A. Sections 44.032, 130.029, 135.800, 135.802, 135.805, 135.810, 135.815, 135.825, 143.081, 143.114, 143.119, 215.020, 347.020, 347.143, 347.179, 347.183, 347.186, 358.460, and 358.470, RSMo, are repealed and thirty-seven new sections enacted in lieu thereof, to be known as sections 44.032, 64.008, 65.710, 71.990, 89.500, 105.1500, 130.029, 135.800, 135.802, 135.805, 135.810, 135.815, 135.825, 143.081, 143.114, 143.119, 143.436, 215.020, 347.020, 347.044, 347.143, 347.179, 347.183, 347.186, 358.460, 358.470, 362.034, 407.475, 431.201, 431.204, 620.3900, 620.3905, 620.3910, 620.3915, 620.3920, 620.3925, and 620.3930, to read as follows:

44.032. 1. **(1) As used in this section, the term "rural electric cooperative" means any rural electric cooperative organized or operating under the provisions of chapter 394, any corporation organized on a nonprofit or a cooperative basis as described in subsection 1 of section 394.200, or any electrical corporation operating under a cooperative business plan as described in subsection 2 of section 393.110.**

(2) The general assembly recognizes the necessity for anticipating and making advance provisions to care for the unusual and extraordinary burdens imposed by disasters or emergencies on this state [and], its political subdivisions [by disasters or emergencies],

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.

9 **and rural electric cooperatives.** To meet such situations, it is the intention of the general
10 assembly to confer emergency powers on the governor, acting through the director, and
11 vesting the governor with adequate power and authority within the limitation of available
12 funds in the Missouri disaster fund to meet any such emergency or disaster.

13 2. There is hereby established a fund to be known as the "Missouri Disaster Fund", to
14 which the general assembly may appropriate funds and from which funds may be
15 appropriated annually to the state emergency management agency. The funds appropriated
16 shall be expended during a state emergency at the direction of the governor and upon the
17 issuance of an emergency declaration which shall set forth the emergency and shall state that
18 it requires the expenditure of public funds to furnish immediate aid and relief. The director of
19 the state emergency management agency shall administer the fund.

20 3. Expenditures may be made upon direction of the governor for emergency
21 management, as defined in section 44.010, or to implement the state disaster plans.
22 Expenditures may also be made to meet the matching requirements of state and federal
23 agencies for any applicable assistance programs.

24 4. Assistance may be provided from the Missouri disaster fund to political
25 subdivisions of this state [~~which~~] **and rural electric cooperatives that** have suffered from a
26 disaster to such an extent as to impose a severe financial burden exceeding the ordinary
27 reserve capacity of the subdivision **or rural electric cooperative** affected. Applications for
28 aid under this section shall be made to the state emergency management agency on such
29 forms as may be prescribed and furnished by the agency, which forms shall require the
30 furnishing of sufficient information to determine eligibility for aid and the extent of the
31 financial burden incurred. The agency may call upon other agencies of the state in evaluating
32 such applications. The director of the state emergency management agency shall review each
33 application for aid under the provisions of this section and recommend its approval or
34 disapproval, in whole or in part, to the governor. If approved, the governor shall determine
35 and certify to the director of the state emergency management agency the amount of aid to be
36 furnished. The director of the state emergency management agency shall thereupon issue
37 [~~his~~] **the director's** voucher to the commissioner of administration, who shall issue [~~his~~] **the**
38 **commissioner's** warrants therefor to the applicant.

39 5. When a disaster or emergency has been proclaimed by the governor or there is a
40 national emergency, the director of the state emergency management agency, upon order of
41 the governor, shall have authority to expend funds for the following:

42 (1) The purposes of sections 44.010 to 44.130 and the responsibilities of the governor
43 and the state emergency management agency as outlined in sections 44.010 to 44.130;

44 (2) Employing, for the duration of the response and recovery to emergency, additional
45 personnel and contracting or otherwise procuring necessary appliances, supplies, equipment,
46 and transport;

47 (3) Performing services for and furnishing materials and supplies to state government
48 agencies, counties, ~~and~~ municipalities, **and rural electric cooperatives** with respect to
49 performance of any duties enjoined by law upon such agencies, counties, ~~and~~
50 municipalities, **and rural electric cooperatives** which they are unable to perform because
51 of extreme natural or man-made phenomena, and receiving reimbursement in whole or in part
52 from such agencies, counties, ~~and~~ municipalities, **and rural electric cooperatives** able to
53 pay therefor under such terms and conditions as may be agreed upon by the director of the
54 state emergency management agency and any such agency, county, ~~or~~ municipality, **or**
55 **rural electric cooperative**;

56 (4) Performing services for and furnishing materials to any individual in connection
57 with alleviating hardship and distress growing out of extreme natural or man-made
58 phenomena, and receiving reimbursement in whole or in part from such individual under such
59 terms as may be agreed upon by the director of the state emergency management agency and
60 such individual;

61 (5) Providing services to counties and municipalities with respect to quelling riots and
62 civil disturbances;

63 (6) Repairing and restoring public infrastructure;

64 (7) Furnishing transportation for supplies to alleviate suffering and distress;

65 (8) Furnishing medical services and supplies to prevent the spread of disease and
66 epidemics;

67 (9) Quelling riots and civil disturbances;

68 (10) Training individuals or governmental agencies for the purpose of perfecting the
69 performance of emergency assistance duties as defined in the state disaster plans;

70 (11) Procurement, storage, and transport of special emergency supplies or equipment
71 determined by the director to be necessary to provide rapid response by state government to
72 assist counties and municipalities in impending or actual emergencies;

73 (12) Clearing or removing from publicly or privately owned land or water, debris and
74 wreckage which may threaten public health or safety;

75 (13) Reimbursement to any urban search and rescue task force for any reasonable and
76 necessary expenditures incurred in the course of responding to any declared emergency under
77 this section; and

78 (14) Such other measures as are customarily necessary to furnish adequate relief in
79 cases of catastrophe or disaster.

80 6. The governor may receive such voluntary contributions as may be made from any
81 source to aid in carrying out the purposes of this section and shall credit the same to the
82 Missouri disaster fund.

83 7. All obligations and expenses incurred by the governor in the exercise of the powers
84 and duties vested by the provisions of this section shall be paid by the state treasurer out of
85 available funds in the Missouri disaster fund, and the commissioner of administration shall
86 draw warrants upon the state treasurer for the payment of such sum, or so much thereof as
87 may be required, upon receipt of proper vouchers provided by the director of the state
88 emergency management agency.

89 8. The provisions of this section shall be liberally construed in order to accomplish
90 the purposes of sections 44.010 to 44.130 and to permit the governor to cope adequately with
91 any emergency which may arise, and the powers vested in the governor by this section shall
92 be construed as being in addition to all other powers presently vested in the governor and not
93 in derogation of any existing powers.

94 9. Such funds as may be made available by the government of the United States for
95 the purpose of alleviating distress from disasters may be accepted by the state treasurer and
96 shall be credited to the Missouri disaster fund, unless otherwise specifically provided in the
97 act of Congress making such funds available.

98 10. The foregoing provisions of this section notwithstanding, any expenditure or
99 proposed series of expenditures which total in excess of one thousand dollars per project shall
100 be approved by the governor prior to the expenditure.

**64.008. 1. As used in this section, the term "home-based work" means any
2 lawful occupation performed by a resident within a residential home or accessory
3 structure, which is clearly incidental and secondary to the use of the dwelling unit for
4 residential purposes and does not change the residential character of the residential
5 building or adversely affect the character of the surrounding neighborhood.**

**6 2. A zoning ordinance or regulation adopted pursuant to this chapter that
7 regulates home-based work shall not:**

- 8 **(1) Prohibit mail order or telephone sales for home-based work;**
9 **(2) Prohibit service by appointment within the home or accessory structure;**
10 **(3) Prohibit or require structural modifications to the home or accessory
11 structure;**
12 **(4) Restrict the hours of operation for home-based work; or**
13 **(5) Restrict storage or the use of equipment that does not produce effects outside
14 the home or accessory structure.**

15 **3. A zoning ordinance or regulation adopted pursuant to this chapter that**
16 **regulates home-based work shall not contain provisions that explicitly restrict or**
17 **prohibit a particular occupation.**

18 **4. The application of this section does not supersede any deed restriction,**
19 **covenant, or agreement restricting the use of land nor any master deed, by law or other**
20 **document applicable to a common interest ownership community.**

65.710. 1. As used in this section, the term "home-based work" means any
2 **lawful occupation performed by a resident within a residential home or accessory**
3 **structure, which is clearly incidental and secondary to the use of the dwelling unit for**
4 **residential purposes and does not change the residential character of the residential**
5 **building or adversely affect the character of the surrounding neighborhood.**

6 **2. A zoning ordinance or regulation adopted pursuant to this chapter that**
7 **regulates home-based work shall not:**

8 **(1) Prohibit mail order or telephone sales for home-based work;**

9 **(2) Prohibit service by appointment within the home or accessory structure;**

10 **(3) Prohibit or require structural modifications to the home or accessory**
11 **structure;**

12 **(4) Restrict the hours of operation for home-based work; or**

13 **(5) Restrict storage or the use of equipment that does not produce effects outside**
14 **the home or accessory structure.**

15 **3. A zoning ordinance or regulation adopted pursuant to this chapter that**
16 **regulates home-based work shall not contain provisions that explicitly restrict or**
17 **prohibit a particular occupation.**

18 **4. The application of this section does not supersede any deed restriction,**
19 **covenant, or agreement restricting the use of land nor any master deed, by law or other**
20 **document applicable to a common interest ownership community.**

71.990. 1. As used in this section, the following terms mean:

2 **(1) "Goods", any merchandise, equipment, products, supplies, or materials;**

3 **(2) "Home-based business", any business operated in a residential dwelling that**
4 **manufactures, provides, or sells goods or services and that is owned and operated by the**
5 **owner or tenant of the residential dwelling.**

6 **2. Any person who resides in a residential dwelling may use the residential**
7 **dwelling for a home-based business unless such use is restricted by:**

8 **(1) Any deed restriction, covenant, or agreement restricting the use of land; or**

9 **(2) Any master deed, bylaw, or other document applicable to a common-interest**
10 **ownership community.**

11 **3. Except as prescribed under subsection 4 of this section, a political subdivision**
12 **shall not prohibit the operation of a no-impact, home-based business or otherwise**
13 **require a person to apply for, register for, or obtain any permit, license, variance, or**
14 **other type of prior approval from the political subdivision to operate a no-impact,**
15 **home-based business. For the purposes of this section, a home-based business qualifies**
16 **as a no-impact, home-based business if:**

17 **(1) The total number of employees and clients on-site at one time does not exceed**
18 **the occupancy limit for the residential dwelling; and**

19 **(2) The activities of the business:**

20 **(a) Are limited to the sale of lawful goods and services;**

21 **(b) May involve having more than one client on the property at one time;**

22 **(c) Do not cause a substantial increase in traffic through the residential area;**

23 **(d) Do not violate any parking regulations established by the political**
24 **subdivision;**

25 **(e) Occur inside the residential dwelling or in the yard of the residential**
26 **dwelling;**

27 **(f) Are not visible from the street; and**

28 **(g) Do not violate any narrowly tailored regulation established under subsection**
29 **4 of this section.**

30 **4. A political subdivision may establish reasonable regulations on a home-based**
31 **business if the regulations are narrowly tailored for the purpose of:**

32 **(1) Protecting the public health and safety, including regulations related to fire**
33 **and building codes, health and sanitation, transportation or traffic control, solid or**
34 **hazardous waste, pollution, and noise control; or**

35 **(2) Ensuring that the business activity is compliant with state and federal law**
36 **and paying applicable taxes.**

37 **5. No political subdivision shall require a person, as a condition of operating a**
38 **home-based business, to:**

39 **(1) Rezone the property for commercial use;**

40 **(2) Obtain a home-based business license or other general business license; or**

41 **(3) Install or equip fire sprinklers in a single-family detached residential**
42 **dwelling or any residential dwelling with no more than two dwelling units.**

43 **6. Whether a regulation complies with this section is a judicial question, and the**
44 **political subdivision that enacts the regulation shall establish by clear and convincing**
45 **evidence that the regulation complies with this section.**

89.500. 1. As used in this section, the term "home-based work" means any
2 **lawful occupation performed by a resident within a residential home or accessory**

3 structure, which is clearly incidental and secondary to the use of the dwelling unit for
4 residential purposes and does not change the residential character of the residential
5 building or adversely affect the character of the surrounding neighborhood.

6 2. A zoning ordinance or regulation adopted pursuant to this chapter that
7 regulates home-based work shall not:

8 (1) Prohibit mail order or telephone sales for home-based work;

9 (2) Prohibit service by appointment within the home or accessory structure;

10 (3) Prohibit or require structural modifications to the home or accessory
11 structure;

12 (4) Restrict the hours of operation for home-based work; or

13 (5) Restrict storage or the use of equipment that does not produce effects outside
14 the home or accessory structure.

15 3. A zoning ordinance or regulation adopted pursuant to this chapter that
16 regulates home-based work shall not contain provisions that explicitly restrict or
17 prohibit a particular occupation.

18 4. The application of this section does not supersede any deed restriction,
19 covenant, or agreement restricting the use of land nor any master deed, by law or other
20 document applicable to a common interest ownership community.

105.1500. 1. This section shall be known and may be cited as "The Personal
2 Privacy Protection Act".

3 2. As used in this section, the following terms mean:

4 (1) "Personal information", any list, record, register, registry, roll, roster, or
5 other compilation of data of any kind that directly or indirectly identifies a person as a
6 member, supporter, or volunteer of, or donor of financial or nonfinancial support to,
7 any entity exempt from federal income tax under Section 501(c) of the Internal Revenue
8 Code of 1986, as amended;

9 (2) "Public agency", the state and any political subdivision thereof including,
10 but not limited to, any department, agency, office, commission, board, division, or other
11 entity of state government; any county, city, township, village, school district,
12 community college district; or any other local governmental unit, agency, authority,
13 council, board, commission, state or local court, tribunal or other judicial or quasi-
14 judicial body.

15 3. (1) Notwithstanding any provision of law to the contrary, but subject to the
16 exceptions listed under subsection 4 of this section, a public agency shall not:

17 (a) Require any individual to provide the public agency with personal
18 information or otherwise compel the release of personal information;

19 **(b) Require any entity exempt from federal income taxation under Section 501(c)**
20 **of the Internal Revenue Code to provide the public agency with personal information or**
21 **otherwise compel the release of personal information;**

22 **(c) Release, publicize, or otherwise publicly disclose personal information in**
23 **possession of a public agency, unless consented to by an entity exempt from federal**
24 **income taxation under Section 501(c) of the Internal Revenue Code; or**

25 **(d) Request or require a current or prospective contractor or grantee with the**
26 **public agency to provide the public agency with a list of entities exempt from federal**
27 **income taxation under Section 501(c) of the Internal Revenue Code of 1986, as**
28 **amended, to which it has provided financial or nonfinancial support.**

29 **(2) All personal information in the possession of a public agency shall be**
30 **considered a closed record under chapter 610 and court operating rules.**

31 **4. The provisions of this section shall not preclude any individual or entity from**
32 **being required to comply with any of the following:**

33 **(1) Submitting any report or disclosure required by this chapter or chapter 130;**

34 **(2) Responding to any lawful request or subpoena for personal information from**
35 **the Missouri ethics commission or the Missouri state highway patrol as a part of an**
36 **investigation, or publicly disclosing personal information as a result of an enforcement**
37 **action from the Missouri state highway patrol or the Missouri ethics commission**
38 **pursuant to its authority in sections 105.955 to 105.966;**

39 **(3) Responding to any lawful warrant for personal information issued by a court**
40 **of competent jurisdiction;**

41 **(4) Responding to any lawful request for discovery of personal information in**
42 **litigation if:**

43 **(a) The requestor demonstrates a compelling need for the personal information**
44 **by clear and convincing evidence; and**

45 **(b) The requestor obtains a protective order barring disclosure of personal**
46 **information to any person not named in the litigation;**

47 **(5) Applicable court rules or admitting any personal information as relevant**
48 **evidence before a court of competent jurisdiction. However, a submission of personal**
49 **information to a court shall be made in a manner that it is not publicly revealed and no**
50 **court shall publicly reveal personal information absent a specific finding of good cause;**

51 **(6) Any report or disclosure required by state law to be filed with the secretary**
52 **of state, provided that personal information obtained by the secretary of state is**
53 **otherwise subject to the requirements of paragraph (c) of subdivision (1) of subsection 3**
54 **of this section, unless expressly required to be made public by state law; or**

55 **(7) Any request from a public agency for a list of the directors and officers of an**
56 **entity exempt from federal income tax under Section 501(c) of the Internal Revenue**
57 **Code of 1986, as amended.**

58 **5. (1) A person or entity alleging a violation of this section may bring a civil**
59 **action for appropriate injunctive relief, damages, or both. Damages awarded under this**
60 **section may include one of the following, as appropriate:**

61 **(a) A sum of moneys not less than two thousand five hundred dollars to**
62 **compensate for injury or loss caused by each violation of this section; or**

63 **(b) For an intentional violation of this section, a sum of moneys not to exceed**
64 **three times the sum described in paragraph (a) of this subdivision.**

65 **(2) A court, in rendering a judgment in an action brought under this section,**
66 **may award all or a portion of the costs of litigation, including reasonable attorney's fees**
67 **and witness fees, to the complainant in the action if the court determines that the award**
68 **is appropriate.**

69 **(3) A person who knowingly violates this section is guilty of a class B**
70 **misdemeanor.**

130.029. 1. Nothing herein contained shall be construed to prohibit any corporation
2 organized under any general or special law of this state, or any other state or by an act of the
3 Congress of the United States or any labor organization, cooperative association or mutual
4 association from making any contributions or expenditures, provided:

5 (1) That the board of directors of any corporation by resolution has authorized
6 contributions or expenditures, or by resolution has authorized a designated officer to make
7 such contributions or expenditures; or

8 (2) That the members of any labor organization, cooperative association or mutual
9 association have authorized contributions or expenditures by a majority vote of the members
10 present at a duly called meeting of any such labor organization, cooperative association or
11 mutual association or by such vote has authorized a designated officer to make such
12 contributions or expenditures.

13 2. No provision of this section shall be construed to authorize contributions or
14 expenditures otherwise prohibited by, or to change any necessary percentage of vote
15 otherwise required by, the articles of incorporation or association or bylaws of such labor
16 organization, corporation, cooperative or mutual association.

17 3. Authority to make contributions or expenditures as authorized by this section shall
18 be adopted by general or specific resolution. This resolution shall state the total amount of
19 contributions or expenditures authorized, the purposes of such contributions or expenditures
20 and the time period within which such authority shall exist.

21 **4. (1) Any limited liability company that is duly registered pursuant to chapter**
22 **347 and that has not elected to be classified as a corporation under the federal tax code**
23 **may make contributions to any committee if the limited liability company has:**

24 **(a) Been in existence for at least one year prior to such contribution; and**

25 **(b) Submitted to the Missouri ethics commission a form indicating that the**
26 **limited liability company is a legitimate business with a legitimate business interest and**
27 **is not created for the sole purpose of making campaign contributions.**

28 **(2) The Missouri ethics commission shall develop a form for limited liability**
29 **companies to use for purposes of paragraph (b) of subdivision (1) of this subsection.**
30 **The commission shall post all forms submitted pursuant to this subdivision on its**
31 **website on a public page in a searchable format.**

135.800. 1. The provisions of sections 135.800 to 135.830 shall be known and may
2 be cited as the "Tax Credit Accountability Act of 2004".

3 2. As used in sections 135.800 to 135.830, the following terms mean:

4 (1) "Administering agency", the state agency or department charged with
5 administering a particular tax credit program, as set forth by the program's enacting
6 statute; where no department or agency is set forth, the department of revenue;

7 (2) "Agricultural tax credits", the agricultural product utilization contributor tax credit
8 created pursuant to section 348.430, the new generation cooperative incentive tax credit
9 created pursuant to section 348.432, the family farm breeding livestock loan tax credit created
10 under section 348.505, the qualified beef tax credit created under section 135.679, and the
11 wine and grape production tax credit created pursuant to section 135.700;

12 (3) [~~"All tax credit programs", or "any tax credit program", the tax credit programs~~
13 ~~included in the definitions of agricultural tax credits, business recruitment tax credits,~~
14 ~~community development tax credits, domestic and social tax credits, entrepreneurial tax~~
15 ~~credits, environmental tax credits, financial and insurance tax credits, housing tax credits,~~
16 ~~redevelopment tax credits, and training and educational tax credits;~~

17 (4) "Business recruitment tax credits", the business facility tax credit created
18 pursuant to sections 135.110 to 135.150 and section 135.258, the enterprise zone tax benefits
19 created pursuant to sections 135.200 to 135.270, the business use incentives for large-scale
20 development programs created pursuant to sections 100.700 to 100.850, the development tax
21 credits created pursuant to sections 32.100 to 32.125, the rebuilding communities tax credit
22 created pursuant to section 135.535, the film production tax credit created pursuant to section
23 135.750, the enhanced enterprise zone created pursuant to sections 135.950 to 135.970, and
24 the Missouri quality jobs program created pursuant to sections 620.1875 to 620.1900;

25 (5) (4) "Community development tax credits", the neighborhood assistance tax
26 credit created pursuant to sections 32.100 to 32.125, the family development account tax

27 credit created pursuant to sections 208.750 to 208.775, the dry fire hydrant tax credit created
28 pursuant to section 320.093, and the transportation development tax credit created pursuant to
29 section 135.545;

30 ~~[(6)]~~ (5) "Domestic and social tax credits", the youth opportunities tax credit created
31 pursuant to section 135.460 and sections 620.1100 to 620.1103, the shelter for victims of
32 domestic violence created pursuant to section 135.550, the senior citizen or disabled person
33 property tax credit created pursuant to sections 135.010 to 135.035, the adoption tax credit
34 created pursuant to sections 135.325 to 135.339, the champion for children tax credit created
35 pursuant to section 135.341, the maternity home tax credit created pursuant to section
36 135.600, the surviving spouse tax credit created pursuant to section 135.090, the residential
37 treatment agency tax credit created pursuant to section 135.1150, the pregnancy resource
38 center tax credit created pursuant to section 135.630, the food pantry tax credit created
39 pursuant to section 135.647, ~~[the health care access fund tax credit created pursuant to section~~
40 ~~135.575,]~~ the residential dwelling access tax credit created pursuant to section 135.562, the
41 developmental disability care provider tax credit created under section 135.1180, the shared
42 care tax credit created pursuant to section 192.2015, **the health, hunger, and hygiene tax**
43 **credit created pursuant to section 135.1125**, and the diaper bank tax credit created pursuant
44 to section 135.621;

45 ~~[(7)]~~ (6) "Entrepreneurial tax credits", the capital tax credit created pursuant to
46 sections 135.400 to 135.429, the certified capital company tax credit created pursuant to
47 sections 135.500 to 135.529, the seed capital tax credit created pursuant to sections 348.300
48 to 348.318, the new enterprise creation tax credit created pursuant to sections 620.635 to
49 620.653, the research tax credit created pursuant to section 620.1039, the small business
50 incubator tax credit created pursuant to section 620.495, the guarantee fee tax credit created
51 pursuant to section 135.766, and the new generation cooperative tax credit created pursuant to
52 sections 32.105 to 32.125;

53 ~~[(8)]~~ (7) "Environmental tax credits", the charcoal producer tax credit created
54 pursuant to section 135.313, the wood energy tax credit created pursuant to sections 135.300
55 to 135.311, and the alternative fuel stations tax credit created pursuant to section 135.710;

56 ~~[(9)]~~ (8) "Financial and insurance tax credits", the bank franchise tax credit created
57 pursuant to section 148.030, the bank tax credit for S corporations created pursuant to section
58 143.471, the exam fee tax credit created pursuant to section 148.400, the health insurance
59 pool tax credit created pursuant to section 376.975, the life and health insurance guaranty tax
60 credit created pursuant to section 376.745, the property and casualty guaranty tax credit
61 created pursuant to section 375.774, and the self-employed health insurance tax credit created
62 pursuant to section 143.119;

63 ~~[(10)]~~ **(9)** "Housing tax credits", the neighborhood preservation tax credit created
64 pursuant to sections 135.475 to 135.487, the low-income housing tax credit created pursuant
65 to sections 135.350 to 135.363, and the affordable housing tax credit created pursuant to
66 sections 32.105 to 32.125;

67 ~~[(11)]~~ **(10)** "Recipient", the individual or entity who **both:**

68 **(a)** Is the original applicant for ~~[and who receives proceeds from a tax credit program~~
69 ~~directly from the administering agency, the person or entity responsible for the reporting~~
70 ~~requirements established in section 135.805]~~ **a tax credit; and**

71 **(b) Who directly receives a tax credit or the right to transfer a tax credit under a**
72 **tax credit program, regardless as to whether the tax credit has been used or redeemed; a**
73 **recipient shall not include the transferee of a transferable tax credit;**

74 ~~[(12)]~~ **(11)** "Redevelopment tax credits", the historic preservation tax credit created
75 pursuant to sections 253.545 to 253.559, the brownfield redevelopment program tax credit
76 created pursuant to sections 447.700 to 447.718, the community development corporations
77 tax credit created pursuant to sections 135.400 to 135.430, the infrastructure tax credit created
78 pursuant to subsection 6 of section 100.286, the bond guarantee tax credit created pursuant to
79 section 100.297, the disabled access tax credit created pursuant to section 135.490, the new
80 markets tax credit created pursuant to section 135.680, and the distressed areas land
81 assemblage tax credit created pursuant to section 99.1205;

82 **(12) "Tax credit program", any of the tax credit programs included in the**
83 **definitions of agricultural tax credits, business recruitment tax credits, community**
84 **development tax credits, domestic and social tax credits, entrepreneurial tax credits,**
85 **environmental tax credits, housing tax credits, redevelopment tax credits, and training**
86 **and educational tax credits;**

87 **(13) "Training and educational tax credits", the Missouri works new jobs tax credit**
88 **and Missouri works retained jobs credit created pursuant to sections 620.800 to 620.809.**

 135.802. 1. Beginning January 1, 2005, all applications for all tax credit programs
2 shall include, in addition to any requirements provided by the enacting statutes of a particular
3 credit program, the following information to be submitted to the department administering the
4 tax credit:

5 (1) Name, address, and phone number of the applicant or applicants, and the name,
6 address, and phone number of a contact person or agent for the applicant or applicants;

7 (2) Taxpayer type, whether individual, corporation, nonprofit or other, and taxpayer
8 identification number, if applicable;

9 (3) Standard industry code, if applicable;

10 (4) Program name and type of tax credit, including the identity of any other state or
11 federal program being utilized for the same activity or project; and

12 (5) Number of estimated jobs to be **directly** created, as a result of the tax credits, if
13 applicable, separated by construction, part-time permanent, and full-time permanent.

14 2. In addition to the information required by subsection 1 of this section, an applicant
15 for a community development tax credit shall also provide information detailing the title and
16 location of the corresponding project, the estimated time period for completion of the project,
17 and all geographic areas impacted by the project.

18 3. In addition to the information required by subsection 1 of this section, an applicant
19 for a redevelopment tax credit shall also provide information detailing the location and legal
20 description of the property, age of the structure, if applicable, whether the property is
21 residential, commercial, or governmental, and the projected project cost, labor cost, and
22 projected date of completion. Where a redevelopment tax credit applicant is required to
23 submit contemporaneously a federal application for a similar credit on the same underlying
24 project, the submission of a copy of the federal application shall be sufficient to meet the
25 requirements of this subsection.

26 4. In addition to the information required by subsection 1 of this section, an applicant
27 for a business recruitment tax credit shall also provide information detailing the category of
28 business by size, the address of the business headquarters and all offices located within this
29 state, the number of employees at the time of the application, the number of employees
30 projected to increase as a result of the completion of the project, and the estimated project
31 cost.

32 5. In addition to the information required by subsection 1 of this section, an applicant
33 for a training and educational tax credit shall also provide information detailing the name and
34 address of the educational institution to be used, the average salary of workers to be served,
35 the estimated project cost, and the number of employees and number of students to be served.

36 6. In addition to the information required by subsection 1 of this section, an applicant
37 for a housing tax credit also shall provide information detailing the address, legal description,
38 and fair market value of the property, and the projected labor cost and projected completion
39 date of the project. Where a housing tax credit applicant is required to submit
40 contemporaneously a federal application for a similar credit on the same underlying
41 project, the submission of a copy of the federal application shall be sufficient to meet the
42 requirements of this subsection. For the purposes of this subsection, "fair market value"
43 means the value as of the purchase of the property or the most recent assessment, whichever
44 is more recent.

45 7. In addition to the information required by subsection 1 of this section, an applicant
46 for an entrepreneurial tax credit shall also provide information detailing the amount of
47 investment and the names of the project, fund, and research project.

48 8. In addition to the information required by subsection 1 of this section, an applicant
49 for an agricultural tax credit shall also provide information detailing the type of agricultural
50 commodity, the amount of contribution, the type of equipment purchased, and the name and
51 description of the facility.

52 9. In addition to the information required by subsection 1 of this section, an applicant
53 for an environmental tax credit shall also include information detailing the type of equipment,
54 if applicable, purchased and any environmental impact statement, if required by state or
55 federal law.

56 10. An administering agency, **or the department of economic development with**
57 **the consent of an administering agency**, may, by rule, require additional information to be
58 submitted by an applicant. Any rule or portion of a rule, as that term is defined in section
59 536.010, that is created pursuant to the authority delegated in this section shall become
60 effective only if it complies with and is subject to all of the provisions of chapter 536 and if
61 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the
62 powers vested with the general assembly pursuant to chapter 536 to review, to delay the
63 effective date or to disapprove and annul a rule are subsequently held unconstitutional, then
64 the grant of rulemaking authority and any rule proposed or adopted after August 28, 2004,
65 shall be void.

66 11. Where the sole requirement for receiving a tax credit in the enabling legislation of
67 any tax credit is an obligatory assessment upon a taxpayer or a monetary contribution to a
68 particular group or entity, the application requirements provided in this section shall apply to
69 the recipient of such assessment or contribution and shall not apply to the assessed nor the
70 contributor.

71 12. It shall be the duty of each administering agency to provide information to every
72 applicant, at some time prior to authorization of an applicant's tax credit application, wherein
73 the requirements of this section, the annual reporting requirements of section 135.805, and the
74 penalty provisions of section 135.810 are described in detail. **Every applicant for a tax**
75 **credit under a tax credit program, as part of the application process and as a condition**
76 **of receiving such tax credit, shall sign a statement affirming that the applicant is aware**
77 **of the reporting requirements of section 135.805 and the penalty provisions of section**
78 **135.810.**

 135.805. 1. A recipient of any tax credit program, except domestic and social tax
2 credits~~[, environmental tax credits,]~~ or financial and insurance tax credits, shall ~~[annually]~~ **on**
3 **June thirtieth of each year**, for a period of three years following the issuance of the tax
4 credits, provide to the administering agency the actual number of jobs **directly** created **that**
5 **year as of June thirtieth** as a result of the tax credits, ~~[at the location on the last day of the~~

6 ~~annual reporting period,~~] separated by part-time permanent and full-time permanent for each
7 month of the preceding twelve-month period.

8 2. A recipient of a community development tax credit shall ~~annually~~ **on June**
9 **thirtieth of each year**, for a period of three years following issuance of tax credits, provide to
10 the administering agency information confirming the title and location of the corresponding
11 project, **the estimated and actual project cost**, the estimated ~~or~~ **and** actual time period for
12 completion of the project, and all geographic areas impacted by the project.

13 3. A recipient of a redevelopment tax credit shall ~~annually~~ **on June thirtieth of**
14 **each year**, for a period of three years following issuance of tax credits, provide to the
15 administering agency information confirming whether the property is used for residential,
16 commercial, or governmental purposes, and the projected ~~or~~ **and** actual project cost, labor
17 cost, and date of completion.

18 4. A recipient of a business recruitment tax credit shall ~~annually~~ **on June thirtieth**
19 **of each year**, for a period of three years following issuance of tax credits, provide to the
20 administering agency information confirming the category of business by size, the address of
21 the business headquarters and all offices located within this state, the number of employees at
22 the time of the annual update, an updated estimate of the number of employees projected to
23 increase as a result of the completion of the project, and the estimated ~~or~~ **and** actual project
24 cost.

25 5. A recipient of a training and educational tax credit shall ~~annually~~ **on June**
26 **thirtieth of each year**, for a period of three years following issuance of tax credits, provide to
27 the administering agency information confirming the name and address of the educational
28 institution used, the average salary of workers served as of such annual update, the estimated
29 ~~or~~ **and** actual project cost, and the number of employees and number of students served as
30 of such annual update.

31 6. A recipient of a housing tax credit shall ~~annually~~ **on June thirtieth of each year**,
32 for a period of three years following issuance of tax credits, provide to the administering
33 agency information confirming the address of the property, the fair market value of the
34 property, as defined in subsection 6 of section 135.802, and the projected ~~or~~ **and** actual
35 labor ~~cost~~ **and project costs** and completion date of the project.

36 7. A recipient of an entrepreneurial tax credit shall ~~annually~~ **on June thirtieth of**
37 **each year**, for a period of three years following issuance of tax credits, provide to the
38 administering agency information confirming the amount of investment and the names of the
39 project, fund, and research project.

40 8. A recipient of an agricultural tax credit shall ~~annually~~ **on June thirtieth of each**
41 **year**, for a period of three years following issuance of tax credits, provide to the
42 administering agency information confirming the type of agricultural commodity, the amount

43 of contribution, the type of equipment purchased, and the name and description of the facility,
44 except that if the agricultural credit is issued as a result of a producer member investing in a
45 new generation processing entity or new generation cooperative then the new generation
46 processing entity or new generation cooperative, and not the recipient, shall ~~[annually]~~ **on**
47 **June thirtieth of each year**, for a period of three years following issuance of tax credits,
48 provide to the administering agency information confirming the type of agricultural
49 commodity, the amount of contribution, the type of equipment purchased, and the name and
50 description of the facility.

51 9. A recipient of an environmental tax credit shall ~~[annually]~~ **on June thirtieth of**
52 **each year**, for a period of three years following issuance of tax credits, provide to the
53 administering agency information detailing any change to the type of equipment purchased, if
54 applicable, and any change to any environmental impact statement, if such statement is
55 required by state or federal law.

56 10. ~~[The reporting requirements established in this section shall be due annually on~~
57 ~~June thirtieth of each year.]~~ No person or entity shall be required to make an annual report
58 until at least one ~~[year]~~ **month** after the credit issuance date.

59 11. Where the sole requirement for receiving a tax credit in the enabling legislation of
60 any tax credit is an obligatory assessment upon a taxpayer or a monetary contribution to a
61 particular group or entity, the reporting requirements provided in this section shall apply to
62 the recipient of such assessment or contribution and shall not apply to the assessed nor the
63 contributor.

64 12. Where the enacting statutes of a particular tax credit program or the rules of a
65 particular administering agency require reporting of information that includes the information
66 required in sections 135.802 to 135.810, upon reporting of the required information, the
67 applicant shall be deemed to be in compliance with the requirements of sections 135.802 to
68 135.810. The administering agency shall notify in writing the department of economic
69 development of the administering agency's status as custodian of any particular tax credit
70 program and that all records pertaining to the program are available at the administering
71 agency's office **or electronically** for review by the department of economic development.

72 13. The provisions of subsections 1 to 10 of this section shall apply beginning on June
73 30, 2005.

74 14. Notwithstanding provisions of law to the contrary, every agency of this state
75 charged with administering a tax credit program authorized under the laws of this state shall
76 make available for public inspection the name of each tax credit recipient and the amount of
77 tax credits issued to each such recipient. **An administering agency may satisfy this**
78 **requirement by making such information available to the public through the**
79 **department of economic development's website or the Missouri accountability portal.**

80 15. The department of economic development shall make all information provided
81 under the provisions of this section available for public inspection on the department's
82 website and the Missouri accountability portal.

83 16. The administering agency of any tax credit program for which reporting
84 requirements are required under the provisions of subsection 1 of this section shall publish
85 guidelines and may promulgate rules to implement the provisions of such subsection. Any
86 rule or portion of a rule, as that term is defined in section 536.010, that is created under the
87 authority delegated in this section shall become effective only if it complies with and is
88 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
89 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
90 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a
91 rule are subsequently held unconstitutional, then the grant of rulemaking authority and any
92 rule proposed or adopted after August 28, 2009, shall be invalid and void.

135.810. 1. After credits have been issued, any failure to meet the annual reporting
2 requirements established in section 135.805 or any determination of fraud in the application
3 **or reporting** process shall result in penalties as follows:

4 (1) Failure to **file the first annual report due under section 135.805** for more than
5 ~~[six]~~ **three months** ~~[but less than one year]~~ shall result in a penalty equal to ~~[two]~~ **one** percent
6 of the value of the credits issued for each month of delinquency ~~[during such time period]~~,
7 **provided such penalty shall not exceed a maximum of ten percent of the value of the**
8 **credits issued;**

9 (2) Failure to ~~[report]~~ **file the second or third annual reports due under section**
10 **135.805** for more than ~~[one year]~~ **three months** shall result in a penalty equal to ~~[ten]~~ **one**
11 **and one-half** percent of the value of the credits issued for each month of delinquency ~~[during~~
12 ~~such time period]~~ up to ~~[one hundred percent of the value of the credit issued is assessed by~~
13 ~~way of penalty]~~ **a maximum of twenty percent, per report, of the value of the credits**
14 **issued;**

15 (3) Fraud in the application **or reporting** process shall result in a penalty equal to
16 ~~[one]~~ **two** hundred percent of the credits issued. No ~~[taxpayer]~~ **recipient** shall be deemed to
17 have committed fraud in the application **or reporting** process for any credit unless such
18 conclusion has been reached by ~~[a court of competent jurisdiction or]~~ the administrative
19 hearing commission. **The department of revenue, the department of economic**
20 **development, or the administering agency may, by filing a complaint, submit to the**
21 **administrative hearing commission the question of whether fraud in the application or**
22 **reporting process for any credit has occurred. The burden of proof shall be on the**
23 **governmental agency in such disputes. The issue shall be decided by the administrative**

24 **hearing commission under the same procedural and evidentiary rules as ordinary**
25 **contested cases before it.**

26 2. ~~[Ninety]~~ **Thirty** days after the annual report is past due, the administering agency
27 shall send notice by registered **or certified** mail to the last known address of the person or
28 entity obligated to complete the annual reporting informing such person or entity of the past-
29 due annual report and describing in detail the pending penalties and their respective deadlines.
30 ~~[Six]~~ **Three** months after the annual report is past due, the administering agency shall notify
31 the department of revenue of any ~~[taxpayer]~~ **recipient** subject to penalties. The ~~[taxpayer~~
32 ~~shall be liable for any penalties as of December thirty-first of any tax year and such liability]~~
33 **payment of a penalty under this section** shall be due as of the filing date of the ~~[taxpayer's]~~
34 **recipient's** next income tax return. If the ~~[taxpayer]~~ **recipient** is not required to file an
35 income tax return, the ~~[taxpayer's]~~ **recipient's** liability for penalties shall be due as of **the**
36 **next** April fifteenth~~[of each year]~~. The director of the department of revenue shall prepare
37 forms and promulgate rules to allow for the reporting and satisfaction of liability for such
38 penalties, **and, for valuable consideration, may enter into agreements to compromise or**
39 **abate some or all of the penalty amount.** The director of the department of revenue shall
40 offset any credits claimed on a contemporaneously filed tax return against an outstanding
41 penalty before applying such credits to the tax year against which they were originally
42 claimed. Any nonpayment of liability for penalties **by the date due under this subsection**
43 shall be subject to the same provisions of law as a liability for unpaid income taxes, including
44 ~~[, but not limited to, interest and penalty provisions]~~ **underpayment interest provisions but**
45 **excluding income tax penalty and addition to tax provisions.**

46 3. Penalties shall remain the liability of the person or entity obligated to complete the
47 annual reporting, without regard to any transfer of the credits.

48 4. Any person or entity obligated to complete the annual reporting requirements
49 provided in section 135.805 shall provide the proper administering agency with notice of
50 change of address when ~~[necessary]~~ **a change of address occurs. The administering agency**
51 **shall notify the department of revenue and the department of economic development of**
52 **such change of address.**

53 5. An administering agency may promulgate rules in order to implement the
54 provisions of this section. Any rule or portion of a rule, as that term is defined in section
55 536.010, that is created under the authority delegated in this section shall become effective
56 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable,
57 section 536.028. This section and chapter 536 are nonseverable and if any of the powers
58 vested with the general assembly pursuant to chapter 536 to review, to delay the effective
59 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant

60 of rulemaking authority and any rule proposed or adopted after August 28, 2004, shall be
61 invalid and void.

135.815. 1. Prior to authorization of any tax credit application, an administering
2 agency shall verify through the department of revenue that the tax credit applicant does not
3 owe any delinquent income, sales, or use taxes, or interest, **additions**, or penalties on such
4 taxes, and through the department of commerce and insurance that the applicant does not owe
5 any delinquent insurance taxes. Such delinquency shall not affect the authorization of the
6 application for such tax credits, except that the amount of credits issued shall be reduced by
7 the applicant's tax delinquency. If the department of revenue or the department of commerce
8 and insurance concludes that a taxpayer is delinquent after June fifteenth but before July first
9 of any year, and the application of tax credits to such delinquency causes a tax deficiency on
10 behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the
11 deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all
12 available credits towards a tax delinquency, the administering agency shall notify the
13 appropriate department, and that department shall update the amount of outstanding
14 delinquent tax owed by the applicant. If any credits remain after satisfying all insurance,
15 income, sales, and use tax delinquencies, the remaining credits shall be issued to the
16 applicant, subject to the restrictions of other provisions of law.

17 2. Any applicant of a tax credit program [~~contained in the definition of the term "all~~
18 ~~tax credit programs"~~] who [~~purposely and directly~~] **knowingly** employs unauthorized aliens
19 shall forfeit any tax credits issued to such applicant which have not been redeemed, and shall
20 repay the amount of any tax credits redeemed by such applicant during the period of time
21 such unauthorized alien was employed by the applicant. **Such forfeiture and repayment**
22 **shall be additional to, and not in lieu of, any penalties imposed pursuant to section**
23 **135.810.** As used in this subsection, the term "unauthorized alien" shall mean an alien who
24 does not have the legal right or authorization under federal law to work in the United States,
25 as defined under Section 8 U.S.C. 1324a(h)(3). **The amount of tax credits required to be**
26 **repaid under this subsection, but which are not repaid by the applicant, shall be subject**
27 **to the same procedure and provisions of law as a liability for unpaid income tax arising**
28 **on the date that the department of revenue became aware of the violation of this**
29 **provision.**

135.825. 1. The administering agencies for all tax credit programs shall, in
2 cooperation with the department of revenue **and the department of economic development**,
3 implement a system for tracking the amount of tax credits authorized, issued, and redeemed.
4 Any such agency may promulgate rules for the implementation of this section.

5 2. The provisions of this section shall not apply to any credit that is issued and
6 redeemed simultaneously.

7 3. Any rule or portion of a rule, as that term is defined in section 536.010, that is
8 created under the authority delegated in this section shall become effective only if it complies
9 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.
10 This section and chapter 536 are nonseverable and if any of the powers vested with the
11 general assembly pursuant to chapter 536 to review, to delay the effective date, or to
12 disapprove and annul a rule are subsequently held unconstitutional, then the grant of
13 rulemaking authority and any rule proposed or adopted after August 28, 2004, shall be invalid
14 and void.

143.081. 1. A resident individual, resident estate, and resident trust shall be allowed a
2 credit against the tax otherwise due pursuant to sections 143.005 to 143.998 for the amount of
3 any income tax imposed for the taxable year by another state of the United States (or a
4 political subdivision thereof) or the District of Columbia on income derived from sources
5 therein and which is also subject to tax pursuant to sections 143.005 to 143.998. For purposes
6 of this subsection, the phrase "income tax imposed" shall be that amount of tax before any
7 income tax credit allowed by such other state or the District of Columbia if the other state or
8 the District of Columbia authorizes a reciprocal benefit for residents of this state.

9 2. The credit provided pursuant to this section shall not exceed an amount which
10 bears the same ratio to the tax otherwise due pursuant to sections 143.005 to 143.998 as the
11 amount of the taxpayer's Missouri adjusted gross income derived from sources in the other
12 taxing jurisdiction bears to the taxpayer's Missouri adjusted gross income derived from all
13 sources. In applying the limitation of the previous sentence to an estate or trust, Missouri
14 taxable income shall be substituted for Missouri adjusted gross income. If the tax of more
15 than one other taxing jurisdiction is imposed on the same item of income, the credit shall not
16 exceed the limitation that would result if the taxes of all the other jurisdictions applicable to
17 the item were deemed to be of a single jurisdiction.

18 3. (1) For the purposes of this section, in the case of an S corporation, each resident S
19 shareholder shall be considered to have paid a tax imposed on the shareholder in an amount
20 equal to the shareholder's pro rata share of any net income tax paid by the S corporation to a
21 state which does not measure the income of shareholders on an S corporation by reference to
22 the income of the S corporation or where a composite return and composite payments are
23 made in such state on behalf of the S shareholders by the S corporation.

24 (2) **A resident S shareholder shall be eligible for a credit issued pursuant to this**
25 **section in an amount equal to the shareholder's pro rata share of any income tax**
26 **imposed pursuant to chapter 143 on income derived from sources in another state of the**
27 **United States, or a political subdivision thereof, or the District of Columbia, and which**
28 **is subject to tax pursuant to chapter 143 but is not subject to tax in such other**
29 **jurisdiction.**

30 4. For purposes of subsection 3 of this section, in the case of an S corporation that is a
31 bank chartered by a state, the Office of Thrift Supervision, or the comptroller of currency,
32 each Missouri resident S shareholder of such out-of-state bank shall qualify for the
33 shareholder's pro rata share of any net tax paid, including a bank franchise tax based on the
34 income of the bank, by such S corporation where bank payment of taxes are made in such
35 state on behalf of the S shareholders by the S bank to the extent of the tax paid.

143.114. 1. As used in this section, the following terms mean:

2 (1) "Commercial domicile", the principal place from which the trade or business of
3 the taxpayer is directed or managed;

4 (2) "Deduction", an amount subtracted from the taxpayer's Missouri adjusted gross
5 income to determine Missouri taxable income for the tax year in which such deduction is
6 claimed;

7 (3) "Employer securities", the same meaning as defined under Section 409(l) of the
8 Internal Revenue Code;

9 (4) "Missouri corporation", a corporation whose commercial domicile is in this state;

10 (5) "Qualified Missouri employee stock ownership plan", an employee stock
11 ownership plan, as defined under Section 4975(e)(7) of the Internal Revenue Code, and trust
12 that is established by a Missouri corporation for the benefit of the employees of the
13 corporation;

14 (6) "Taxpayer", an individual, firm, partner in a firm, corporation, partnership,
15 shareholder in an S corporation, or member of a limited liability company subject to the
16 income tax imposed under chapter 143, excluding withholding tax imposed by sections
17 143.191 to 143.265.

18 2. For all tax years beginning on or after January 1, 2017, in addition to all other
19 modifications allowed by law, a taxpayer shall be allowed a deduction from the taxpayer's
20 federal adjusted gross income when determining Missouri adjusted gross income in an
21 amount equal to fifty percent of the net capital gain from the sale or exchange of employer
22 securities of a Missouri corporation to a qualified Missouri employee stock ownership plan if,
23 upon completion of the transaction, the qualified Missouri employee stock ownership plan
24 owns at least thirty percent of all outstanding employer securities issued by the Missouri
25 corporation.

26 3. Whenever an employee leaves a Missouri corporation with a qualified Missouri
27 employee stock ownership plan, the Missouri corporation shall inform the former employee
28 of the deadline for when the former employee shall decide whether they will receive their
29 shares of employer securities or compensation for their shares of employer securities.

30 4. The department of revenue may promulgate rules and regulations for the
31 administration of this section. Any rule or portion of a rule, as that term is defined in section

32 536.010, that is created under the authority delegated in this section shall become effective
33 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable,
34 section 536.028. This section and chapter 536 are nonseverable and if any of the powers
35 vested with the general assembly pursuant to chapter 536 to review, to delay the effective
36 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant
37 of rulemaking authority and any rule proposed or adopted after August 28, 2016, shall be
38 invalid and void.

39 5. Under section 23.253 of the Missouri sunset act:

40 (1) The provisions of the new program authorized under this section shall
41 automatically sunset on December thirty-first, six years after October 14, [2016] **2022**, unless
42 reauthorized by an act of the general assembly;

43 (2) If such program is reauthorized, the program authorized under this section shall
44 automatically sunset on December thirty-first, twelve years after the effective date of the
45 reauthorization of this section; and

46 (3) This section shall terminate on September first of the calendar year immediately
47 following the calendar year in which the program authorized under this section is sunset.

143.119. 1. A self-employed taxpayer, as such term is used in the federal internal
2 revenue code, who is otherwise ineligible for the federal income tax health insurance
3 deduction under Section 162 of the federal internal revenue code shall be entitled to a credit
4 against the tax otherwise due under this chapter, excluding withholding tax imposed by
5 sections 143.191 to 143.265, in an amount equal to the portion of such taxpayer's federal tax
6 liability incurred due to such taxpayer's inclusion of such payments in federal adjusted gross
7 income. **To be eligible for a credit under this section, the self-employed taxpayer shall**
8 **have a Missouri income tax liability, before any other tax credits, of less than three**
9 **thousand dollars.** The tax credits authorized under this section shall be nontransferable,
10 **nonrefundable, and shall not be carried back or forward to any other tax year.** [~~To the~~
11 ~~extent tax credit issued under this section exceeds a taxpayer's state income tax liability, such~~
12 ~~excess shall be considered an overpayment of tax and shall be refunded to the taxpayer.] **A**
13 **self-employed taxpayer shall not claim both a tax credit under this section and a**
14 **subtraction under section 143.113, for the same tax year.**~~

15 2. The director of the department of revenue shall promulgate rules and regulations to
16 administer the provisions of this section. Any rule or portion of a rule, as that term is defined
17 in section 536.010, that is created under the authority delegated in this section shall become
18 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
19 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the
20 powers vested with the general assembly pursuant to chapter 536 to review, to delay the
21 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then

22 the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007,
23 shall be invalid and void.

24 **3. Pursuant to section 23.253 of the Missouri sunset act:**

25 **(1) The provisions of this section shall sunset automatically on December 31,**
26 **2028, unless reauthorized by an act of the general assembly; and**

27 **(2) If such program is reauthorized, this section shall sunset automatically**
28 **December thirty-first six years after the effective date of the reauthorization of this**
29 **section; and**

30 **(3) This section shall terminate on September first of the calendar year**
31 **immediately following the calendar year in which the program authorized under this**
32 **section is sunset; and**

33 **(4) The provisions of this subsection shall not be construed to limit or in any way**
34 **impair the department's ability to redeem tax credits authorized on or before the date**
35 **the program authorized pursuant to this section expires, or a taxpayer's ability to**
36 **redeem such tax credits.**

143.436. 1. This section shall be known and may be cited as the "SALT Parity
2 **Act".**

3 **2. For the purposes of this section, the following terms shall mean:**

4 **(1) "Affected business entity", any partnership or S corporation that elects to be**
5 **subject to tax pursuant to subsection 10 of this section;**

6 **(2) "Direct member", a member that holds an interest directly in an affected**
7 **business entity;**

8 **(3) "Indirect member", a member that itself holds an interest, through a direct**
9 **or indirect member that is a partnership or an S corporation, in an affected business**
10 **entity;**

11 **(4) "Member":**

12 **(a) A shareholder of an S corporation;**

13 **(b) A partner in a general partnership, a limited partnership, or a limited**
14 **liability partnership; or**

15 **(c) A member of a limited liability company that is treated as a partnership or S**
16 **corporation for federal income tax purposes;**

17 **(5) "Partnership", the same meaning as provided in 26 U.S.C. Section 7701(a)**
18 **(2). The term "partnership" shall include a limited liability company that is treated as a**
19 **partnership for federal income tax purposes;**

20 **(6) "S corporation", a corporation or limited liability company that is treated as**
21 **an S corporation for federal income tax purposes;**

22 (7) "Tax year", the tax year of a partnership or S corporation for federal income
23 tax purposes.

24 3. (1) Notwithstanding any provision of law to the contrary, a tax is hereby
25 imposed on each affected business entity that is a partnership and that is doing business
26 in this state. Such affected business entity shall, at the time that the affected business
27 entity's return is due, pay a tax in an amount equal to the sum of the separately and
28 nonseparately computed items, as described in 26 U.S.C. Section 702(a), of the affected
29 business entity, to the extent derived from or connected with sources within this state, as
30 determined pursuant to section 143.455, decreased by the deduction allowed under 26
31 U.S.C. Section 199A computed as if such deduction was allowed to be taken by the
32 affected business entity for federal tax purposes, and increased or decreased by any
33 modification made pursuant to section 143.471 that relates to an item of the affected
34 business entity's income, gain, loss, or deduction, to the extent derived from or
35 connected with sources within this state, as determined pursuant to section 143.455, with
36 such sum multiplied by the highest rate of tax used to determine a Missouri income tax
37 liability for an individual pursuant to section 143.011. An affected entity paying the tax
38 pursuant to this subsection shall include with the payment of such taxes each report
39 provided to a member pursuant to subsection 7 of this section.

40 (2) If the amount calculated pursuant to subdivision (1) of this section results in
41 a net loss, such net loss may be carried forward to succeeding tax years for which the
42 affected business entity elects to be subject to tax pursuant to subsection 11 of this
43 section until fully used.

44 4. (1) Notwithstanding any provision of law to the contrary, a tax is hereby
45 imposed on each affected business entity that is an S corporation and that is doing
46 business in this state. Such affected business entity shall, at the time that the affected
47 business entity's return is due, pay a tax in an amount equal to the sum of the separately
48 and nonseparately computed items, as described in 26 U.S.C. Section 1366, of the
49 affected business entity, to the extent derived from or connected with sources within this
50 state, as determined pursuant to section 143.455, decreased by the deduction allowed
51 under 26 U.S.C. Section 199A computed as if such deduction was allowed to be taken by
52 the affected business entity for federal tax purposes, and increased or decreased by any
53 modification made pursuant to section 143.471 that relates to an item of the affected
54 business entity's income, gain, loss, or deduction, to the extent derived from or
55 connected with sources within this state, as determined pursuant to section 143.455, with
56 such sum multiplied by the highest rate of tax used to determine a Missouri income tax
57 liability for an individual pursuant to section 143.011. An affected entity paying the tax

58 pursuant to this subsection shall include with the payment of such taxes each report
59 provided to a member pursuant to subsection 7 of this section.

60 (2) If the amount calculated pursuant to subdivision (1) of this section results in
61 a net loss, such net loss may be carried forward to succeeding tax years for which the
62 affected business entity elects to be subject to tax pursuant to subsection 11 of this
63 section until fully used.

64 5. If an affected business entity is a direct or indirect member of another affected
65 business entity, the member affected business entity shall, when calculating its net
66 income or loss pursuant to subsections 3 or 4 of this section, subtract its distributive
67 share of income or add its distributive share of loss from the affected business entity in
68 which it is a direct or indirect member to the extent that the income or loss was derived
69 from or connected with sources within this state, as determined pursuant to section
70 143.455.

71 6. A nonresident individual who is a member shall not be required to file an
72 income tax return pursuant to this chapter for a tax year if, for such tax year, the only
73 source of income derived from or connected with sources within the state for such
74 member, or the member and the member's spouse if a joint federal income tax return is
75 or shall be filed, is from one or more affected business entities and such affected
76 business entity or entities file and pay the tax due under this section.

77 7. Each partnership and S corporation shall report to each of its members, for
78 each tax year, such member's direct pro rata share of the tax imposed pursuant to this
79 section on such partnership or S corporation if it is an affected business entity and its
80 indirect pro rata share of the tax imposed on any affected business entity in which such
81 affected business entity is a direct or indirect member.

82 8. (1) Each member that is subject to the tax imposed pursuant to section
83 143.011 shall be entitled to a credit against the tax imposed pursuant to section 143.011.
84 Such credit shall be in an amount equal to such member's direct and indirect pro rata
85 share of the tax paid pursuant to this section by any affected business entity of which
86 such member is directly or indirectly a member.

87 (2) If the amount of the credit authorized by this subsection exceeds such
88 member's tax liability for the tax imposed pursuant to section 143.011, the excess
89 amount shall not be refunded but may be carried forward to each succeeding tax year
90 until such credit is fully taken.

91 9. (1) Each member that is subject to the tax imposed pursuant to section
92 143.011 as a resident or part-year resident of this state shall be entitled to a credit
93 against the tax imposed pursuant to section 143.011 for such member's direct and
94 indirect pro rata share of taxes paid to another state of the United States or to the

95 District of Columbia, on income of any partnership or S corporation of which such
96 person is a member that is derived therefrom, provided the taxes paid to another state of
97 the United States or to the District of Columbia results from a tax that the director of
98 revenue determines is substantially similar to the tax imposed pursuant to this section.
99 Any such credit shall be calculated in a manner to be prescribed by the director of
100 revenue, provided such calculation is consistent with the provisions of this section, and
101 further provided that the limitations provided in subsection 2 of section 143.081 shall
102 apply to the credit authorized by this subsection.

103 (2) If the amount of the credit authorized by this subsection exceeds such
104 member's tax liability for the tax imposed pursuant to section 143.011, the excess
105 amount shall not be refunded and shall not be carried forward.

106 10. (1) Each corporation that is subject to the tax imposed pursuant to section
107 143.071 and that is a member shall be entitled to a credit against the tax imposed
108 pursuant to section 143.071. Such credit shall be in an amount equal to such
109 corporation's direct and indirect pro rata share of the tax paid pursuant to this section
110 by any affected business entity of which such corporation is directly or indirectly a
111 member. Such credit shall be applied after all other credits.

112 (2) If the amount of the credit authorized by this subsection exceeds such
113 corporation's tax liability for the tax imposed pursuant to section 143.071, the excess
114 amount shall not be refunded but may be carried forward to each succeeding tax year
115 until such credit is fully taken.

116 11. A partnership or an S corporation may elect to become an affected business
117 entity that is required to pay the tax pursuant to this section in any tax year. A separate
118 election shall be made for each taxable year. Such election shall be made on such form
119 and in such manner as the director of revenue may prescribe by rule. An election made
120 pursuant to this subsection shall be signed by:

121 (1) Each member of the electing entity who is a member at the time the election
122 is filed; or

123 (2) Any officer, manager, or member of the electing entity who is authorized to
124 make the election and who attests to having such authorization under penalty of
125 perjury.

126 12. The provisions of sections 143.425 and 143.601 shall apply to any
127 modifications made to an affected business entity's federal return, and such affected
128 business entity shall pay any resulting underpayment of tax to the extent not already
129 paid pursuant to section 143.425.

130 13. (1) With respect to an action required or permitted to be taken by an
131 affected business entity pursuant to this section, a proceeding under section 143.631 for

132 reconsideration by the director of revenue, an appeal to the administrative hearing
133 commission, or a review by the judiciary with respect to such action, the affected
134 business entity shall designate an affected business entity representative for the tax year,
135 and such affected business entity representative shall have the sole authority to act on
136 behalf of the affected business entity, and the affected business entity's members shall be
137 bound by those actions.

138 (2) The department of revenue may establish reasonable qualifications and
139 procedures for designating a person to be the affected business entity representative.

140 (3) The affected business entity representative shall be considered an authorized
141 representative of the affected business entity and its members under section 32.057 for
142 the purposes of compliance with this section, or participating in a proceeding described
143 in subdivision (1) of this subsection.

144 14. The provisions of this section shall only apply to tax years ending on or after
145 December 31, 2022.

146 15. The department of revenue may promulgate rules to implement the
147 provisions of this section. Any rule or portion of a rule, as that term is defined in section
148 536.010, that is created under the authority delegated in this section shall become
149 effective only if it complies with and is subject to all of the provisions of chapter 536 and,
150 if applicable, section 536.028. This section and chapter 536 are nonseverable and if any
151 of the powers vested with the general assembly pursuant to chapter 536 to review, to
152 delay the effective date, or to disapprove and annul a rule are subsequently held
153 unconstitutional, then the grant of rulemaking authority and any rule proposed or
154 adopted after August 28, 2022, shall be invalid and void.

215.020. 1. There is hereby created and established as a governmental
2 instrumentality of the state of Missouri the "Missouri Housing Development Commission"
3 which shall constitute a body corporate and politic.

4 2. The commission shall consist of the governor, lieutenant governor, the state
5 treasurer, the state attorney general, two members of the senate, one of which shall be from
6 the majority party appointed by the president pro tempore of the senate and one of
7 which shall be from the minority party appointed by the minority leader, and two
8 members of the house of representatives, one of which shall be from the majority party
9 appointed by the speaker of the house of representatives and one of which shall be from
10 the minority party appointed by the minority leader, and six members to be selected by
11 the governor, with the advice and consent of the senate. The persons to be selected by the
12 governor shall be individuals knowledgeable in the areas of housing, finance or construction.
13 Not more than four of the members appointed by the governor shall be from the same political
14 party. The members of the commission appointed by the governor shall serve the following

15 terms: Two shall serve two years, two shall serve three years, and two shall serve four years,
16 respectively. Thereafter, each appointment shall be for a term of four years. If for any reason
17 a vacancy occurs, the governor, with the advice and consent of the senate, shall appoint a new
18 member to fill the unexpired term. Members are eligible for reappointment.

19 3. ~~Six~~ **Eight** members of the commission shall constitute a quorum. No vacancy in
20 the membership of the commission shall impair the right of a quorum to exercise all the rights
21 and perform all the duties of the commission. No action shall be taken by the commission
22 except upon the affirmative vote of at least ~~six~~ **eight** of the members of the commission.

23 4. Each member of the commission appointed by the governor is entitled to
24 compensation of fifty dollars per diem plus his reasonable and necessary expenses actually
25 incurred in discharging his duties under sections 215.010 to 215.250.

347.020. **1.** The name of each limited liability company as set forth in its articles of
2 organization:

3 (1) Shall contain the words "limited company" or "limited liability company" or the
4 abbreviation "LC", "LLC", "L.C." or "L.L.C." and shall be the name under which the limited
5 liability company transacts business in this state unless the limited liability company registers
6 another name under which it transacts business as provided under chapter 417 or
7 conspicuously discloses its name as set forth in its articles of organization;

8 (2) May not contain the word "corporation", "incorporated", "limited partnership",
9 "limited liability partnership", "limited liability limited partnership", or "Ltd." or any
10 abbreviation of one of such words or any word or phrase which indicates or implies that it is
11 organized for any purpose not stated in its articles of organization or that it is a governmental
12 agency; and

13 (3) Must be distinguishable upon the records of the secretary from the name of any
14 corporation, limited liability company, limited partnership, limited liability partnership, or
15 limited liability limited partnership which is licensed, organized, reserved, or registered under
16 the laws of this state as a domestic or foreign entity, unless:

17 (a) Such other holder of a reserved or registered name consents to such use in writing
18 and files appropriate documentation to the secretary to change its name to a name that is
19 distinguishable upon the records of the secretary from the name of the applying limited
20 liability company; or

21 (b) A certified copy of a final decree of a court of competent jurisdiction establishing
22 the prior right of the applicant to the use of such name in this state is filed with the secretary.

23 **2. The name of a limited liability company that has been dissolved or cancelled**
24 **shall not be available for use by others for a period of one year from the effective date of**
25 **the dissolution or cancellation.**

347.044. 1. Each limited liability company organized under this chapter and
2 each foreign limited liability company registered in this state shall file an information
3 statement with the secretary of state.

4 2. The information statement shall include:

5 (1) The name of the limited liability company or foreign limited liability
6 company;

7 (2) The company charter number assigned by the secretary of state;

8 (3) The address of the principal place of business;

9 (4) The address, including street and number, if any, of the registered office and
10 the name of the registered agent at such office; and

11 (5) If a foreign limited liability company, the state or other jurisdiction under
12 whose law the company is formed.

13 3. The information statement shall be current as of the date the statement is filed
14 with the secretary of state.

15 4. The limited liability company or foreign limited liability company shall file an
16 information statement every five years, and the information statement shall be due on
17 the fifteenth day of the month in which the anniversary of the date the limited liability
18 company or foreign limited liability company organized or registered in Missouri
19 occurs. For limited liability companies and foreign limited liability companies that
20 organized or registered in an odd-numbered year before January 1, 2022, the first
21 information statement shall be due in 2025. For limited liability companies and foreign
22 limited liability companies that organized or registered in an even-numbered year
23 before January 1, 2023, the first information statement shall be due in 2026.

24 5. The information statement shall be signed by an authorized person.

25 6. If the information statement does not contain the information required under
26 this section, the secretary of state shall promptly notify the limited liability company or
27 foreign limited liability company and return the information statement for completion.
28 The entity shall return the completed information statement to the secretary within sixty
29 days of the issuance of the notice.

30 7. Ninety days before the statement is due, the secretary of state shall send notice
31 to each limited liability company or foreign limited liability company that the
32 information statement is due. The notice shall be directed to the limited liability
33 company's registered office as stated in the company's most recent filing with the
34 secretary of state.

347.143. 1. A limited liability company may be dissolved involuntarily by a decree
2 of the circuit court for the county in which the registered office of the limited liability

3 company is situated in an action filed by the attorney general when it is established that the
4 limited liability company:

5 (1) Has procured its articles of organization through fraud;

6 (2) Has exceeded or abused the authority conferred upon it by law;

7 (3) Has carried on, conducted, or transacted its business in a fraudulent or illegal
8 manner; or

9 (4) By the abuse of its powers contrary to the public policy of the state, has become
10 liable to be dissolved.

11 2. On application by or for a member, the circuit court for the county in which the
12 registered office of the limited liability company is located may decree dissolution of a
13 limited liability company ~~whenever~~ **if the court determines:**

14 (1) It is not reasonably practicable to carry on the business in conformity with the
15 operating agreement;

16 (2) **Dissolution is reasonably necessary for the protection of the rights or**
17 **interests of the complaining members;**

18 (3) **The business of the limited liability company has been abandoned;**

19 (4) **The management of the limited liability company is deadlocked or subject to**
20 **internal dissension; or**

21 (5) **Those in control of the limited liability company have been found guilty of, or**
22 **have knowingly countenanced, persistent and pervasive fraud, mismanagement, or**
23 **abuse of authority.**

347.179. 1. The secretary shall charge and collect:

2 (1) For filing the original articles of organization, a fee of ~~[one hundred]~~ **ninety-five**
3 dollars;

4 (2) For filing the original articles of organization online, in an electronic format
5 prescribed by the secretary of state, a fee of ~~[forty-five]~~ **twenty-five** dollars;

6 (3) Applications for registration of foreign limited liability companies and issuance of
7 a certificate of registration to transact business in this state, a fee of one hundred dollars;

8 (4) Amendments to and restatements of articles of limited liability companies to
9 application for registration of a foreign limited liability company or any other filing otherwise
10 provided for, a fee of twenty dollars **or, if filed online in an electronic format prescribed by**
11 **the secretary, a fee of ten dollars;**

12 (5) Articles of termination of limited liability companies or cancellation of
13 registration of foreign limited liability companies, a fee of twenty dollars **or, if filed online in**
14 **an electronic format prescribed by the secretary, a fee of ten dollars;**

15 (6) For filing notice of merger or consolidation, a fee of twenty dollars;

16 (7) For filing a notice of winding up, a fee of twenty dollars **or, if filed online in an**
17 **electronic format prescribed by the secretary, a fee of ten dollars;**

18 (8) For issuing a certificate of good standing, a fee of five dollars;

19 (9) For a notice of the abandonment of merger or consolidation, a fee of twenty
20 dollars;

21 (10) For furnishing a copy of any document or instrument, a fee of fifty cents per
22 page;

23 (11) For accepting an application for reservation of a name, or for filing a notice of
24 the transfer or cancellation of any name reservation, a fee of twenty dollars;

25 (12) For filing a statement of change of address of registered office or registered
26 agent, or both, a fee of five dollars;

27 (13) For any service of notice, demand, or process upon the secretary as resident
28 agent of a limited liability company, a fee of twenty dollars, which amount may be recovered
29 as taxable costs by the party instituting such suit, action, or proceeding causing such service
30 to be made if such party prevails therein;

31 (14) For filing an amended certificate of registration a fee of twenty dollars **or, if filed**
32 **online in an electronic format prescribed by the secretary, a fee of ten dollars;** ~~and~~

33 (15) For filing a statement of correction a fee of five dollars;

34 **(16) For filing an information statement for a domestic or foreign limited**
35 **liability company, a fee of fifteen dollars or, if filing online in an electronic format**
36 **prescribed by the secretary, a fee of five dollars;**

37 **(17) For filing a withdrawal of an erroneously or accidentally filed notice of**
38 **winding up or articles of termination, a fee of ninety-five dollars;**

39 **(18) For a filing relating to a limited liability series, an additional fee of ten**
40 **dollars for each series effected or, if filing online in an electronic format prescribed by**
41 **the secretary, a fee of five dollars for each series effected; and**

42 **(19) For filing an application for reinstatement, a fee of ninety-five dollars or, if**
43 **filed online in an electronic format prescribed by the secretary, a fee of forty-five**
44 **dollars.**

45 2. Fees mandated in subdivisions (1) and (2) of subsection 1 of this section and for
46 application for reservation of a name in subdivision (11) of subsection 1 of this section shall
47 be waived if an organizer who is listed as a member in the operating agreement of the limited
48 liability company is a member of the Missouri National Guard or any other active duty
49 military, resides in the state of Missouri, and provides proof of such service to the secretary of
50 state.

347.183. In addition to the other powers of the secretary established in sections
2 347.010 to 347.187, the secretary shall, as is reasonably necessary to enable the secretary to

3 administer sections 347.010 to 347.187 efficiently and to perform the secretary's duties, have
4 the following powers including, but not limited to:

5 (1) The power to examine the books and records of any limited liability company to
6 which sections 347.010 to 347.187 apply, and it shall be the duty of any manager, member or
7 agent of such limited liability company having possession or control of such books and
8 records to produce such books and records for examination on demand of the secretary or
9 ~~his~~ **the secretary's** designated employee; except that no person shall be subject to any
10 criminal prosecution on account of any matter or thing which may be disclosed by
11 examination of any limited liability company books and records, which they may produce or
12 exhibit for examination; or on account of any other matter or thing concerning which they
13 may make any voluntary and truthful statement in writing to the secretary or ~~his~~ **the**
14 **secretary's** designated employee. All facts obtained in the examination of the books and
15 records of any limited liability company, or through the voluntary sworn statement of any
16 manager, member, agent or employee of any limited liability company, shall be treated as
17 confidential, except insofar as official duty may require the disclosure of same, or when such
18 facts are material to any issue in any legal proceeding in which the secretary or ~~his~~ **the**
19 **secretary's** designated employee may be a party or called as witness, and, if the secretary or
20 ~~his~~ **the secretary's** designated employee shall, except as provided in this subdivision,
21 disclose any information relative to the private accounts, affairs, and transactions of any such
22 limited liability company, he **or she** shall be guilty of a class C misdemeanor. If any manager,
23 member or registered agent in possession or control of such books and records of any such
24 limited liability company shall refuse a demand of the secretary or ~~his~~ **the secretary's**
25 designated employee, to exhibit the books and records of such limited liability company for
26 examination, such person shall be guilty of a class B misdemeanor;

27 (2) The power to cancel or disapprove any articles of organization or other filing
28 required under sections 347.010 to 347.187, if the limited liability company fails to comply
29 with the provisions of sections 347.010 to 347.187 by failing to file required documents under
30 sections 347.010 to 347.187, by failing to maintain a registered agent, by failing to pay the
31 required filing fees, by using fraud or deception in effecting any filing, by filing a required
32 document containing a false statement, or by violating any section or sections of the criminal
33 laws of Missouri, the federal government or any other state of the United States. Thirty days
34 before such cancellation shall take effect, the secretary shall notify the limited liability
35 company with written notice, either personally or by certified mail, deposited in the United
36 States mail in a sealed envelope addressed to such limited liability company's last registered
37 agent in office, or to one of the limited liability company's members or managers. Written
38 notice of the secretary's proposed cancellation to the limited liability company, domestic or
39 foreign, shall specify the reasons for such action. The limited liability company may appeal

40 this notice of proposed cancellation to the circuit court of the county in which the registered
41 office of such limited liability company is or is proposed to be situated by filing with the clerk
42 of such court a petition setting forth a copy of the articles of organization or other relevant
43 documents and a copy of the proposed written cancellation thereof by the secretary, such
44 petition to be filed within thirty days after notice of such cancellation shall have been given,
45 and the matter shall be tried by the court, and the court shall either sustain the action of the
46 secretary or direct ~~him~~ **the secretary** to take such action as the court may deem proper. An
47 appeal from the circuit court in such a case shall be allowed as in civil action. The limited
48 liability company may provide information to the secretary that would allow the secretary to
49 withdraw the notice of proposed cancellation. This information may consist of, but need not
50 be limited to, corrected statements and documents, new filings, affidavits and certified copies
51 of other filed documents;

52 (3) The power to rescind cancellation provided for in subdivision (2) of this section
53 upon compliance with either of the following:

54 (a) The affected limited liability company provides the necessary documents and
55 affidavits indicating the limited liability company has corrected the conditions causing the
56 proposed cancellation or the cancellation; or

57 (b) The limited liability company provides the correct statements or documentation
58 that the limited liability company is not in violation of any section of the criminal code; ~~and~~

59 (4) The power to charge late filing fees for any filing fee required under sections
60 347.010 to 347.187 and the power to impose civil penalties as provided in section 347.053.
61 Late filing fees shall be assessed at a rate of ten dollars for each thirty-day period of
62 delinquency;

63 (5) (a) The power to administratively cancel ~~an~~:

64 **a. Articles of organization if the limited liability company's period of duration stated**
65 **in the articles of organization expires or if the limited liability company fails to timely file**
66 **its information statement; or**

67 **b. The registration of a foreign limited liability company if the foreign limited**
68 **liability company fails to timely file its information statement.**

69 (b) Not less than thirty days before such administrative cancellation shall take effect,
70 the secretary shall notify the **domestic or foreign** limited liability company with written
71 notice, either personally or by mail. If mailed, the notice shall be deemed delivered five days
72 after it is deposited in the United States mail in a sealed envelope addressed to such limited
73 liability company's last registered agent and office or to one of the limited liability company's
74 managers or members.

75 (c) If the limited liability company does not timely file an articles of amendment in
76 accordance with section 347.041 to extend the duration of the limited liability company,

77 which may be any number of years or perpetual, or demonstrate to the reasonable satisfaction
78 of the secretary that the period of duration determined by the secretary is incorrect, within
79 sixty days after service of the notice is perfected by posting with the United States Postal
80 Service, then the secretary shall cancel the articles of organization by signing an
81 administrative cancellation that recites the grounds for cancellation and its effective date.
82 The secretary shall file the original of the administrative cancellation and serve a copy on the
83 limited liability company as provided in section 347.051.

84 (d) A limited liability company whose articles of organization has been
85 administratively cancelled continues its existence but may not carry on any business
86 except that necessary to wind up and liquidate its business and affairs under section 347.147
87 and notify claimants under section 347.141.

88 (e) The administrative cancellation of an articles of organization does not terminate
89 the authority of its registered agent.

90 (f) **If a limited liability company does not timely file an information statement in**
91 **accordance with section 347.044 within sixty days after service of the notice is perfected**
92 **by posting with the United States Postal Service or fails to demonstrate to the reasonable**
93 **satisfaction of the secretary that the information statement was timely filed, the**
94 **secretary shall cancel the articles of organization by signing an administrative**
95 **cancellation that states the grounds for cancellation and the effective date of the**
96 **cancellation. The secretary shall file the original administrative cancellation and serve a**
97 **copy on the limited liability company as provided under section 347.051.**

98 (g) **If a foreign limited liability company does not timely file an information**
99 **statement in accordance with section 347.044 within sixty days after service of the notice**
100 **is perfected by posting with the United States Postal Service or fails to demonstrate to**
101 **the reasonable satisfaction of the secretary that the information statement was timely**
102 **filed, the secretary shall cancel the registration of the foreign limited liability company**
103 **by signing an administrative cancellation that states the grounds for cancellation and**
104 **the effective date of the cancellation. The secretary shall file the original administrative**
105 **cancellation and serve a copy on the foreign limited liability company as provided in**
106 **section 347.051. A foreign limited liability company whose registration has been**
107 **administratively cancelled may continue its existence but shall not conduct any business**
108 **in this state except to wind up and liquidate its business and affairs in this state;**

109 (6) (a) The power to rescind an administrative cancellation and reinstate the articles
110 of organization.

111 (b) Except as otherwise provided in the operating agreement, a limited liability
112 company whose articles of organization has been administratively cancelled under
113 subdivision (2) or (5) of this section may file an articles of amendment in accordance with

114 section 347.041 to extend the duration of the limited liability company, which may be any
115 number **of years** or perpetual.

116 (c) A limited liability company whose articles of organization has been
117 administratively cancelled under subdivision (5) of this section may apply to the secretary
118 for reinstatement. The ~~[applicant]~~ **application** shall:

119 a. Recite the name of the limited liability company and the effective date of its
120 administrative cancellation;

121 b. State that the grounds for cancellation either did not exist or have been eliminated,
122 as applicable, and be accompanied by documentation satisfactory to the secretary evidencing
123 the same;

124 c. State that the limited liability company's name satisfies the requirements of section
125 347.020;

126 d. Be accompanied by a reinstatement fee in the amount ~~[of one hundred dollars]~~
127 **specified in subdivision (19) of subsection 1 of section 347.179**, or such greater amount as
128 required by state regulation, plus any delinquent fees, penalties, and other charges as
129 determined by the secretary to then be due.

130 (d) If the secretary determines that the application contains the information and is
131 accompanied by the fees required in paragraph (c) of this subdivision and that the information
132 and fees are correct, the secretary shall rescind the cancellation and prepare a certificate of
133 reinstatement that recites his or her determination and the effective date of reinstatement, file
134 the original articles of organization, and serve a copy on the limited liability company as
135 provided in section 347.051.

136 (e) When the reinstatement is effective, it shall relate back to and take effect as of the
137 effective date of the administrative cancellation of the articles of organization and the limited
138 liability company may continue carrying on its business as if the administrative cancellation
139 had never occurred.

140 (f) In the event the name of the limited liability company was reissued by the
141 secretary to another entity prior to the time application for reinstatement was filed, the limited
142 liability company applying for reinstatement may elect to reinstate using a new name that
143 complies with the requirements of section 347.020 and that has been approved by appropriate
144 action of the limited liability company for changing the name thereof.

145 (g) If the secretary denies a limited liability company's application for reinstatement
146 following administrative cancellation of the articles of organization, he or she shall serve the
147 limited liability company as provided in section 347.051 with a written notice that explains
148 the reason or reasons for denial.

149 (h) The limited liability company may appeal a denial of reinstatement as provided
150 for in subdivision (2) of this section.

151 ~~[(7)]~~ **(i) This subdivision ~~[(6) of this section]~~ shall apply to any limited liability**
152 **company whose articles of organization was cancelled because such limited liability**
153 **company's period of duration stated in the articles of organization expired on or after August**
154 **28, 2003;**

155 **(7) The power to rescind an administrative cancellation and reinstate the**
156 **registration of a foreign limited liability company. The following procedures apply:**

157 **(a) A foreign limited liability company whose registration was administratively**
158 **cancelled under subdivision (2) or (5) of this section may apply to the secretary for**
159 **reinstatement. The application shall:**

160 **a. State the name of the foreign limited liability company and the date of the**
161 **administrative cancellation;**

162 **b. State that the grounds for cancellation either did not exist or have been**
163 **eliminated, with supporting documentation satisfactory to the secretary;**

164 **c. State that the foreign limited liability company's name satisfies the**
165 **requirements of section 347.020; and**

166 **d. Include a reinstatement fee in the amount specified in subdivision (19) of**
167 **subsection 1 of section 347.179, or a higher amount if required by state regulation, and**
168 **any delinquent fees, penalties, or other charges as the secretary determines are due;**

169 **(b) If the secretary determines that the application satisfies the requirements**
170 **under paragraph (a) of this subdivision, the secretary shall rescind the cancellation and**
171 **prepare a certificate of reinstatement that includes the effective date of reinstatement**
172 **and deliver a copy to the limited liability company as provided under section 347.051;**

173 **(c) If reinstatement is granted, the administrative cancellation shall be**
174 **retroactively voided, and the foreign limited liability company may conduct its**
175 **business as if the administrative cancellation never occurred;**

176 **(d) If the name of the foreign limited liability company was issued to another**
177 **entity before the application for reinstatement was filed, the foreign limited liability**
178 **company applying for reinstatement may elect to reinstate using a new name that**
179 **complies with the requirements under section 347.020 and is approved by appropriate**
180 **action of the foreign limited liability company for changing its name;**

181 **(e) If the secretary denies a foreign limited liability company's application for**
182 **reinstatement, the secretary shall serve the limited liability company with a written**
183 **notice as provided under section 347.051 that explains the reason for denial; and**

184 **(f) The foreign limited liability company may appeal a denial of reinstatement by**
185 **using the procedure under subdivision (2) of this section; and**

186 **(8) The power to reinstate a limited liability company that erroneously or**
187 **accidentally filed a notice of winding up or notice of termination. The following**
188 **procedures apply:**

189 **(a) A limited liability company whose articles of organization were terminated**
190 **due to an erroneously or accidentally filed notice of winding up or notice of termination**
191 **may apply to the secretary for reinstatement by filing a withdrawal of notice of winding**
192 **up or withdrawal of notice of termination. The application shall:**

193 **a. State the name of the limited liability company and the filing date of the**
194 **erroneous or accidental notice;**

195 **b. State the grounds for erroneously or accidentally filing the notice, with**
196 **supporting documentation satisfactory to the secretary;**

197 **c. State that the limited liability company's name satisfies the requirements**
198 **under section 347.020; and**

199 **d. Include a reinstatement fee in the amount specified in subdivision (19) of**
200 **subsection 1 of section 347.179, or a higher amount if required by state regulation, and**
201 **any delinquent fees, penalties, or other charges as the secretary determines are due;**

202 **(b) If the secretary determines that the application satisfies the requirements**
203 **under paragraph (a) of this subdivision, the secretary shall rescind the notice of winding**
204 **up or notice of termination and prepare a certificate of reinstatement that includes the**
205 **effective date of reinstatement and deliver a copy to the limited liability company as**
206 **provided under section 347.051;**

207 **(c) If reinstatement is granted, the termination of the articles of organization**
208 **shall be retroactively voided, and the limited liability company may conduct its business**
209 **as if the notice of winding up or notice of termination never occurred;**

210 **(d) If the name of the limited liability company was issued to another entity**
211 **before the application for reinstatement was filed, the limited liability company**
212 **applying for the reinstatement may elect to reinstate using a new name that complies**
213 **with the requirements under section 347.020 and is approved by appropriate action of**
214 **the limited liability company for changing its name;**

215 **(e) If the secretary of state denies a limited liability company's application for**
216 **reinstatement, the secretary shall serve the limited liability company with a written**
217 **notice as provided under section 347.051 that explains the reason for denial; and**

218 **(f) The limited liability company may appeal a denial of reinstatement by using**
219 **the procedure under subdivision (2) of this section.**

2 347.186. 1. An operating agreement may establish or provide for the establishment
3 of a designated series of members, managers, or limited liability company interests having
separate rights, powers, or duties with respect to specified property or obligations of the

4 limited liability company or profits and losses associated with specified property or
5 obligations. To the extent provided in the operating agreement, any such series may have a
6 separate business purpose or investment objective.

7 2. (1) Notwithstanding any other provisions of law to the contrary, the debts,
8 liabilities, and obligations incurred, contracted for, or otherwise existing with respect to a
9 particular series shall be enforceable against the assets of such series only, and not against the
10 assets of the limited liability company generally or any other series thereof. Such particular
11 series shall be deemed to have possession, custody, and control only of the books, records,
12 information, and documentation related to such series and not of the books, records,
13 information, and documentation related to the limited liability company as a whole or any
14 other series thereof if all of the following apply:

15 (a) The operating agreement creates one or more series;

16 (b) Separate and distinct records are maintained for or on behalf of any such series;

17 (c) The assets associated with any such series, whether held directly or indirectly,
18 including through a nominee or otherwise, are accounted for separately from the other assets
19 of the limited liability company or of any other series;

20 (d) The operating agreement provides for the limitations on liabilities of a series
21 described in this subdivision;

22 (e) Notice of the limitation on liabilities of a series described in this subdivision is
23 included in the limited liability company's articles of organization; and

24 (f) The limited liability company has filed articles of organization that separately
25 identify each series which is to have limited liability under this section.

26 (2) With respect to a particular series, unless otherwise provided in the operating
27 agreement, none of the debts, liabilities, obligations, and expenses incurred, contracted for or
28 otherwise existing with respect to a limited liability company generally, or any other series
29 thereof, shall be enforceable against the assets of such series, subject to the provisions of
30 subdivision (1) of this subsection.

31 (3) Compliance with paragraphs (e) and (f) of subdivision (1) of this subsection shall
32 constitute notice of such limitation of liability of a series.

33 (4) A series with limited liability shall be treated as a separate entity to the extent set
34 forth in the articles of organization. Each series with limited liability may, in its own name,
35 contract, hold title to assets, grant security interests, sue and be sued, and otherwise conduct
36 business and exercise the powers of a limited liability company under this chapter. The
37 limited liability company and any of its series may elect to consolidate its operations as a
38 single taxpayer to the extent permitted under applicable law, elect to work cooperatively, elect
39 to contract jointly, or elect to be treated as a single business for the purposes of qualification
40 or authorization to do business in this or any other state. Such elections shall not affect the

41 limitation of liability set forth in this section except to the extent that the series have
42 specifically accepted joint liability by contract.

43 3. Except in the case of a foreign limited liability company that has adopted a name
44 that is not the name under which it is registered in its jurisdiction of organization, as permitted
45 under sections 347.153 and 347.157, the name of the series with limited liability is required to
46 contain the entire name of the limited liability company and be distinguishable from the
47 names of the other series set forth in the articles of organization. In the case of a foreign
48 limited liability company that has adopted a name that is not the name under which it is
49 registered in its jurisdiction of organization, as permitted under sections 347.153 and 347.157,
50 the name of the series with limited liability must contain the entire name under which the
51 foreign limited liability company has been admitted to transact business in this state.

52 4. (1) (a) Upon filing of articles of organization setting forth the name of each series
53 with limited liability, in compliance with section 347.037 or amendments under section
54 347.041, the series' existence shall begin.

55 (b) Each copy of the articles of organization stamped "Filed" and marked with the
56 filing date shall be conclusive evidence that all required conditions have been met and that the
57 series has been or shall be legally organized and formed under this section and is notice for all
58 purposes of all other facts required to be set forth therein.

59 (c) The name of a series with limited liability under this section may be changed by
60 filing articles of amendment with the secretary of state pursuant to section 347.041,
61 identifying the series whose name is being changed and the new name of such series. If not
62 the same as the limited liability company, the names of the members of a member-managed
63 series or of the managers of a manager-managed series may be changed by an amendment to
64 the articles of organization with the secretary of state.

65 (d) A series with limited liability under this section may be dissolved by filing with
66 the secretary of state articles of amendment pursuant to section 347.041 identifying the series
67 being dissolved or by the dissolution of the limited liability company as provided in section
68 347.045. Except to the extent otherwise provided in the operating agreement, a series may be
69 dissolved and its affairs wound up without causing the dissolution of the limited liability
70 company. The dissolution of a series established in accordance with subsection 2 of this
71 section shall not affect the limitation on liabilities of such series provided by subsection 2 of
72 this section. A series is terminated and its affairs shall be wound up upon the dissolution of
73 the limited liability company under section 347.045.

74 (e) Articles of organization, amendment, or termination described under this
75 subdivision may be executed by the limited liability company or any manager, person, or
76 entity designated in the operating agreement for the limited liability company.

77 **(f) Notwithstanding paragraph (d) of this subdivision, the maximum number of**
78 **designated series that may be effected by any one filing shall be limited to fifty.**

79 (2) If different from the limited liability company, the articles of organization shall
80 list the names of the members for each series if the series is member-managed or the names of
81 the managers if the series is manager-managed.

82 (3) A series of a limited liability company shall be deemed to be in good standing as
83 long as the limited liability company is in good standing.

84 (4) The registered agent and registered office for the limited liability company
85 appointed under section 347.033 shall serve as the agent and office for service of process for
86 each series in this state.

87 5. (1) An operating agreement may provide for classes or groups of members or
88 managers associated with a series having such relative rights, powers, and duties as an
89 operating agreement may provide and may make provision for the future creation of
90 additional classes or groups of members or managers associated with the series having such
91 relative rights, powers, and duties as may from time to time be established, including rights,
92 powers, and duties senior and subordinate to or different from existing classes and groups of
93 members or managers associated with the series.

94 (2) A series may be managed either by the member or members associated with the
95 series or by the manager or managers chosen by the members of such series, as provided in
96 the operating agreement. Unless otherwise provided in an operating agreement, the
97 management of a series shall be vested in the members associated with such series.

98 (3) An operating agreement may grant to all or certain identified members or
99 managers, or to a specified class or group of the members or managers associated with a
100 series, the right to vote separately or with all or any class or group of the members or
101 managers associated with the series, on any matter. An operating agreement may provide that
102 any member or class or group of members associated with a series shall have no voting rights
103 or ability to otherwise participate in the management or governance of such series, but any
104 such member or class or group of members are owners of the series.

105 (4) Except as modified in this section, the provisions of this chapter which are
106 generally applicable to limited liability companies and their managers, members, and
107 transferees shall be applicable to each particular series with respect to the operation of such
108 series.

109 (5) Except as otherwise provided in an operating agreement, any event specified in
110 this chapter or in an operating agreement that causes a manager to cease to be a manager with
111 respect to a series shall not, in itself, cause such manager to cease to be a manager of the
112 limited liability company or with respect to any other series thereof.

113 (6) Except as otherwise provided in an operating agreement, any event specified in
114 this chapter or in an operating agreement that causes a member to cease to be associated with
115 a series shall not, in itself, cause such member to cease to be associated with any other series,
116 terminate the continued membership of a member in the limited liability company, or cause
117 the termination of the series, regardless of whether such member was the last remaining
118 member associated with such series.

119 (7) An operating agreement may impose restrictions, duties, and obligations on
120 members of the limited liability company or any series thereof as a matter of internal
121 governance, including, without limitation, those with regard to:

- 122 (a) Choice of law, forum selection, or consent to personal jurisdiction;
- 123 (b) Capital contributions;
- 124 (c) Restrictions on, or terms and conditions of, the transfer of membership interests;
- 125 (d) Restrictive covenants, including noncompetition, nonsolicitation, and
126 confidentiality provisions;
- 127 (e) Fiduciary duties; and
- 128 (f) Restrictions, duties, or obligations to or for the benefit of the limited liability
129 company, other series thereof, or their affiliates.

130 6. (1) If a limited liability company with the ability to establish series does not
131 register to do business in a foreign jurisdiction for itself and its series, a series of a limited
132 liability company may itself register to do business as a limited liability company in the
133 foreign jurisdiction in accordance with the laws of the foreign jurisdiction.

134 (2) If a foreign limited liability company, as permitted in the jurisdiction of its
135 organization, has established a series having separate rights, powers, or duties and has limited
136 the liabilities of such series so that the debts, liabilities, and obligations incurred, contracted
137 for, or otherwise existing with respect to a particular series are enforceable against the assets
138 of such series only, and not against the assets of the limited liability company generally or any
139 other series thereof, or so that the debts, liabilities, obligations, and expenses incurred,
140 contracted for, or otherwise existing with respect to the limited liability company generally or
141 any other series thereof are not enforceable against the assets of such series, then the limited
142 liability company, on behalf of itself or any of its series, or any of its series on its own behalf
143 may register to do business in this state in accordance with this chapter. The limitation of
144 liability shall also be stated on the application for registration. As required under section
145 347.153, the registration application filed shall identify each series being registered to do
146 business in the state by the limited liability company. Unless otherwise provided in the
147 operating agreement, the debts, liabilities, and obligations incurred, contracted for, or
148 otherwise existing with respect to a particular series of such a foreign limited liability
149 company shall be enforceable against the assets of such series only and not against the assets

150 of the foreign limited liability company generally or any other series thereof, and none of the
151 debts, liabilities, obligations, and expenses incurred, contracted for, or otherwise existing with
152 respect to such a foreign limited liability company generally or any other series thereof shall
153 be enforceable against the assets of such series.

154 7. Nothing in sections 347.039, 347.153, or 347.186 shall be construed to alter
155 existing Missouri statute or common law providing any cause of action for fraudulent
156 conveyance, including but not limited to chapter 428, or any relief available under existing
157 law that permits a challenge to limited liability.

358.460. 1. The exclusive right to the use of a name of a registered limited liability
2 partnership or foreign registered limited liability partnership may be reserved by:

3 (1) Any person intending to become a registered limited liability partnership or
4 foreign registered limited liability partnership under this chapter and to adopt that name; and

5 (2) Any registered limited liability partnership or foreign registered limited liability
6 partnership which proposes to change its name.

7 2. The reservation of a specified name shall be made by filing with the secretary of
8 state an application, executed by the applicant, specifying the name to be reserved and the
9 name and address of the applicant. If the secretary of state finds that the name is available for
10 use by a registered limited liability partnership or foreign registered limited liability
11 partnership, the secretary of state shall reserve the name for the exclusive use of the applicant
12 for a period of sixty days. A name reservation shall not exceed a period of one hundred
13 eighty days from the date of the first name reservation application. Upon the one hundred
14 eighty-first day the name shall cease reserve status and shall not be placed back in such status.
15 The right to the exclusive use of a reserved name may be transferred to any other person by
16 filing in the office of the secretary of state a notice of the transfer, executed by the applicant
17 for whom the name was reserved, specifying the name to be transferred and the name and
18 address of the transferee. The reservation of a specified name may be cancelled by filing with
19 the secretary of state a notice of cancellation, executed by the applicant or transferee,
20 specifying the name reservation to be cancelled and the name and address of the applicant or
21 transferee.

22 3. A fee in the amount of ~~twenty-five~~ **twenty** dollars shall be paid to the secretary of
23 state upon receipt for filing of an application for reservation of name, an application for
24 renewal of reservation or a notice of transfer or cancellation pursuant to this section. All
25 moneys from the payment of this fee shall be deposited into the general revenue fund.

358.470. 1. Each registered limited liability partnership and each foreign registered
2 limited liability partnership shall have and maintain in the state of Missouri:

3 (1) A registered office, which may, but need not be, a place of its business in the state
4 of Missouri; and

5 (2) A registered agent for service of process on the registered limited liability
6 partnership or foreign registered limited liability partnership, which agent may be either an
7 individual resident of the state of Missouri whose business office is identical with the
8 registered limited liability partnership's or foreign registered limited liability partnership's
9 registered office, or a domestic corporation, or a foreign corporation authorized to do business
10 in the state of Missouri, having a business office identical with such registered office or the
11 registered limited liability partnership or foreign registered limited liability partnership itself.

12 2. A registered agent may change the address of the registered office of the registered
13 limited liability partnerships or foreign registered limited liability partnerships for which the
14 agent is the registered agent to another address in the state of Missouri by paying a fee in the
15 amount of ~~ten~~ **five** dollars~~], and a further fee in the amount of two dollars]~~ for each
16 registered limited liability partnership or foreign registered limited liability partnership
17 affected thereby, to the secretary of state and filing with the secretary of state a certificate,
18 executed by such registered agent, setting forth the names of all the registered limited liability
19 partnerships or foreign registered limited liability partnerships represented by such registered
20 agent, and the address at which such registered agent has maintained the registered office for
21 each of such registered limited liability partnerships or foreign registered limited liability
22 partnerships, and further certifying to the new address to which such registered office will be
23 changed on a given day, and at which new address such registered agent will thereafter
24 maintain the registered office for each of the registered limited liability partnerships or
25 foreign registered limited liability partnerships recited in the certificate. Upon the filing of
26 such certificate, the secretary of state shall furnish to the registered agent a certified copy of
27 the same under the secretary of state's hand and seal of office, and thereafter, or until further
28 change of address, as authorized by law, the registered office in the state of Missouri of each
29 of the registered limited liability partnerships or foreign registered limited liability
30 partnerships recited in the certificate shall be located at the new address of the registered
31 agent thereof as given in the certificate. In the event of a change of name of any person acting
32 as a registered agent of a registered limited liability partnership or foreign registered limited
33 liability partnership, such registered agent shall file with the secretary of state a certificate,
34 executed by such registered agent, setting forth the new name of such registered agent, the
35 name of such registered agent before it was changed, the names of all the registered limited
36 liability partnerships or foreign registered limited liability partnerships represented by such
37 registered agent, and the address at which such registered agent has maintained the registered
38 office for each of such registered limited liability partnerships or foreign registered limited
39 liability partnerships, and shall pay a fee in the amount of ~~twenty-five~~ **five** dollars~~], and a~~
40 ~~further fee in the amount of two dollars]~~ for each registered limited liability partnership or
41 foreign registered limited liability partnership affected thereby, to the secretary of state. Upon

42 the filing of such certificate, the secretary of state shall furnish to the registered agent a
43 certified copy of the same under the secretary of state's hand and seal of office. Filing a
44 certificate under this section shall be deemed to be an amendment of the application, renewal
45 application or notice filed pursuant to subsection 19 of section 358.440, as the case may be, of
46 each registered limited liability partnership or foreign registered limited liability partnership
47 affected thereby, and each such registered limited liability partnership or foreign registered
48 limited liability partnership shall not be required to take any further action with respect
49 thereto to amend its application, renewal application or notice filed, as the case may be,
50 pursuant to section 358.440. Any registered agent filing a certificate under this section shall
51 promptly, upon such filing, deliver a copy of any such certificate to each registered limited
52 liability partnership or foreign registered limited liability partnership affected thereby.

53 3. The registered agent of one or more registered limited liability partnerships or
54 foreign registered limited liability partnerships may resign and appoint a successor registered
55 agent by paying a fee in the amount of ~~[fifty]~~ **five** dollars~~], and a further fee in the amount of~~
56 ~~two dollars]~~ for each registered limited liability partnership or foreign registered limited
57 liability partnership affected thereby, to the secretary of state and filing a certificate with the
58 secretary of state, stating that it resigns and the name and address of the successor registered
59 agent. There shall be attached to such certificate a statement executed by each affected
60 registered limited liability partnership or foreign registered limited liability partnership
61 ratifying and approving such change of registered agent. Upon such filing, the successor
62 registered agent shall become the registered agent of such registered limited liability
63 partnerships or foreign registered limited liability partnerships as have ratified and approved
64 such substitution and the successor registered agent's address, as stated in such certificate,
65 shall become the address of each such registered limited liability partnership's or foreign
66 registered limited liability partnership's registered office in the state of Missouri. The
67 secretary of state shall furnish to the successor registered agent a certified copy of the
68 certificate of resignation. Filing of such certificate of resignation shall be deemed to be an
69 amendment of the application, renewal application or notice filed pursuant to subsection 19 of
70 section 358.440, as the case may be, of each registered limited liability partnership or foreign
71 registered limited liability partnership affected thereby, and each such registered limited
72 liability partnership or foreign registered limited liability partnership shall not be required to
73 take any further action with respect thereto, to amend its application, renewal application or
74 notice filed pursuant to subsection 19 of section 358.440, as the case may be, pursuant to
75 section 358.440.

76 4. The registered agent of a registered limited liability partnership or foreign
77 registered limited liability partnership may resign without appointing a successor registered
78 agent by paying a fee in the amount of ~~[ten]~~ **five** dollars to the secretary of state and filing a

79 certificate with the secretary of state stating that it resigns as registered agent for the
80 registered limited liability partnership or foreign registered limited liability partnership
81 identified in the certificate, but such resignation shall not become effective until one hundred
82 twenty days after the certificate is filed. There shall be attached to such certificate an
83 affidavit of such registered agent, if an individual, or the president, a vice president or the
84 secretary thereof if a corporation, that at least thirty days prior to and on or about the date of
85 the filing of the certificate, notices were sent by certified or registered mail to the registered
86 limited liability partnership or foreign registered limited liability partnership for which such
87 registered agent is resigning as registered agent, at the principal office thereof within or
88 outside the state of Missouri, if known to such registered agent or, if not, to the last known
89 address of the attorney or other individual at whose request such registered agent was
90 appointed for such registered limited liability partnership or foreign registered limited liability
91 partnership, of the resignation of such registered agent. After receipt of the notice of the
92 resignation of its registered agent, the registered limited liability partnership or foreign
93 registered limited liability partnership for which such registered agent was acting shall obtain
94 and designate a new registered agent, to take the place of the registered agent so resigning. If
95 such registered limited liability partnership or foreign registered limited liability partnership
96 fails to obtain and designate a new registered agent prior to the expiration of the period of one
97 hundred twenty days after the filing by the registered agent of the certificate of resignation,
98 the application, renewal application or notice filed pursuant to subsection 19 of section
99 358.440 of such registered limited liability partnership or foreign registered limited liability
100 partnership shall be deemed to be cancelled.

**362.034. 1. Any entity that operates as a facility licensed or certified under
2 Article XIV, Section 1 of the Constitution of Missouri may request in writing that a state
3 or local licensing authority or agency, including but not limited to the department of
4 health and senior services or department of revenue, share the entity's application,
5 license, or other regulatory and financial information with a banking institution. A
6 state or local licensing authority or agency may also share such information with the
7 banking institution's state and federal supervisory agencies.**

**8 2. In order to ensure the state or local licensing authority or agency is properly
9 maintaining the confidentiality of individualized data, information, or records, an entity
10 shall include in the written request a waiver giving authorization for the transfer of the
11 individualized data, information, or records and waiving any confidentiality or privilege
12 that applies to that individualized data, information, or records.**

**13 3. This section shall only apply to the disclosure of information by a state or local
14 licensing authority or agency reasonably necessary to facilitate the provision of financial
15 services by a banking institution to the entity making a request pursuant to this section.**

16 **4. The recipient of any information pursuant to this section shall treat such**
17 **information as confidential and use it only for the purposes described in this section.**

18 **5. Nothing in this section shall be construed to authorize the disclosure of**
19 **confidential or privileged information, nor waive an entity's rights to assert**
20 **confidentiality or privilege, except as reasonably necessary to facilitate the provision**
21 **of financial services for the entity making the request.**

22 **6. An entity that has provided a waiver pursuant to this section may withdraw**
23 **the waiver with thirty days' notice in writing.**

24 **7. Nothing in this section shall be construed to modify the requirements of**
25 **chapter 610.**

26 **8. For purposes of this section, the following terms mean:**

27 **(1) "Banking institution", the same meaning as in Article IV, Section 15 of the**
28 **Missouri Constitution;**

29 **(2) "Entity", the same meaning as in Article XIV, Section 1 of the Missouri**
30 **Constitution.**

407.475. 1. Except when specifically required or authorized by federal law, no
2 **state agency or state official shall impose any additional annual filing or reporting**
3 **requirements on an organization regulated or specifically exempted from regulation**
4 **under sections 407.450 to 407.478 that are more stringent, restrictive, or expansive than**
5 **the requirements authorized under section 407.462.**

6 **2. This section shall not apply to state grants or contracts, nor investigations**
7 **under section 407.472 and shall not restrict enforcement actions against specific**
8 **charitable organizations. This section shall not apply to labor organizations, as that**
9 **term is defined in section 105.500.**

10 **3. This section shall not apply when an organization regulated or specifically**
11 **exempted from regulation under sections 407.450 to 407.475 is providing any report or**
12 **disclosure required by state law to be filed with the secretary of state.**

431.201. As used in section 431.202, unless the context otherwise requires, the
2 **following terms mean:**

3 **(1) "Business entity", any natural person, business, corporation, limited liability**
4 **company, series limited liability company, partnership, sole or other proprietorship,**
5 **professional practice, or any other business organization or commercial enterprise,**
6 **whether for profit or not for profit, including, without limitation, any successor in**
7 **interest to an entity who conducts business or who, directly or indirectly, owns any**
8 **equity interest, ownership, or profit participation in the entity;**

9 **(2) "Customers with whom the employee dealt", each customer or prospective**
10 **customer:**

- 11 **(a) Who was serviced, directly or indirectly, by an employee of a business entity;**
12 **(b) Whose business or other dealings with a business entity were supervised,**
13 **coordinated, or otherwise worked on, directly or indirectly, by an employee;**
14 **(c) Who was solicited, produced, induced, persuaded, encouraged, or otherwise**
15 **dealt with, directly or indirectly, by an employee;**
16 **(d) About whom an employee, directly or indirectly, obtained, had knowledge of,**
17 **had access to, or is in possession of confidential business or proprietary information or**
18 **trade secrets in the course of or as a result of the employee's relationship with the**
19 **business entity;**
20 **(e) Who has purchased or otherwise obtained products or services from a**
21 **business entity and the sale or provision of which resulted in compensation,**
22 **commissions, earnings, or profits to or for the employee within two years prior to the**
23 **end of the employee's employment or business relationship with the business entity; or**
24 **(f) With whom an employee had contact, directly or indirectly, of sufficient**
25 **quality, frequency, and duration during the employee's employment or other business**
26 **relationship with the business entity such that the employee had influence over the**
27 **customer;**
28 **(3) "Employee":**
29 **(a) A natural person currently or formerly employed or retained by a business**
30 **entity in any capacity, or who has performed work for a business entity, including, but**
31 **not limited to, a member of a board of directors, an officer, a supervisor, an independent**
32 **contractor, or a vendor;**
33 **(b) A natural person who, by reason of having been employed by or having a**
34 **business relationship with a business entity:**
35 **a. Obtained specialized skills, training, learning, or abilities; or**
36 **b. Obtained, had knowledge of, had access to, or is in possession of confidential**
37 **or proprietary business information or trade secrets of the business entity, including,**
38 **but not limited to, customer contact information or information of or belonging to**
39 **customers of the business entity; or**
40 **(c) A current or former owner or seller of all or any part of the assets of a**
41 **business entity or of any interest in a business entity, including, but not limited to, all or**
42 **any part of the shares of a corporation, a partnership interest, a membership or**
43 **membership interest in a limited liability company or a series limited liability company,**
44 **or an equity interest, ownership, profit participation, or other interest of any type in any**
45 **business entity;**
46 **(d) The term "employee" set forth in this subdivision shall be applicable only**
47 **with respect to section 431.202 and shall have no application in any other context. The**

48 term "employee" is not intended, and shall not be relied upon, to create, change, or
49 affect the employment status of any natural person or the meaning of the terms
50 "employee", "employment", or "employer" that may be applicable in any other context
51 or pursuant to any other provision of law.

431.204. 1. A reasonable covenant in writing promising not to solicit, recruit,
2 hire, induce, persuade, encourage, or otherwise interfere with, directly or indirectly, the
3 employment of one or more employees or owners of a business entity shall be presumed
4 to be enforceable and not a restraint of trade pursuant to subsection 1 of section 416.031
5 if it is between a business entity and the owner of the business entity and does not
6 continue for more than two years following the end of the owner's business relationship
7 with the business entity.

8 2. A reasonable covenant in writing promising not to solicit, induce, direct, or
9 otherwise interfere with, directly or indirectly, a business entity's customers, including
10 any reduction, termination, or transfer of any customer's business, in whole or in part,
11 for the purposes of providing any product or any service that is competitive with those
12 provided by the business entity shall be presumed to be enforceable and not a restraint
13 of trade pursuant to subsection 1 of section 416.031 if the covenant is limited to
14 customers with whom the owner dealt and if the covenant is between a business entity
15 and an owner, so long as the covenant does not continue for more than five years
16 following the end of the owner's business relationship with the business entity.

17 3. A provision in writing by which an owner promises to provide prior notice of
18 the owner's intent to terminate, sell, or otherwise dispose of such owner's ownership
19 interest in the business entity shall be presumed to be enforceable and not a restraint of
20 trade pursuant to subsection 1 of section 416.031.

21 4. If a covenant is overbroad, overlong, or otherwise not reasonably necessary to
22 protect the protectable business interests of the business entity seeking enforcement of
23 the covenant, a court shall modify the covenant, enforce the covenant as modified, and
24 grant only the relief reasonably necessary to protect such interests.

25 5. Nothing in this section is intended to create or to affect the validity or
26 enforceability of covenants not to compete, other types of covenants, or nondisclosure or
27 confidentiality agreements, except as expressly provided in this section.

28 6. Except as provided in subsection 3 of this section, nothing in this section shall
29 be construed to limit an owner's ability to seek or accept employment with another
30 business entity immediately upon, or at any time subsequent to, termination of the
31 owner's business relationship with the business entity, whether such termination was
32 voluntary or nonvoluntary.

2 **620.3900. 1. Sections 620.3900 to 620.3930 shall be known and may be cited as**
3 **the "Regulatory Sandbox Act".**

4 **2. For the purposes of sections 620.3900 to 620.3930, the following terms shall**
5 **mean:**

6 **(1) "Advisory committee", the general regulatory sandbox program advisory**
7 **committee created in section 620.3910;**

8 **(2) "Applicable agency", a department or agency of the state that by law**
9 **regulates a business activity and persons engaged in such business activity, including the**
10 **issuance of licenses or other types of authorization, and which the regulatory relief office**
11 **determines would otherwise regulate a sandbox participant. A participant may fall**
12 **under multiple applicable agencies if multiple agencies regulate the business activity**
13 **that is subject to the sandbox program application. "Applicable agency" shall not**
14 **include the division of professional registration and its boards, commissions, committees**
15 **and offices;**

16 **(3) "Applicant" or "sandbox applicant", a person or business that applies to**
17 **participate in the sandbox program;**

18 **(4) "Consumer", a person who purchases or otherwise enters into a transaction**
19 **or agreement to receive a product or service offered through the sandbox program**
20 **pursuant to a demonstration by a program participant;**

21 **(5) "Demonstrate" or "demonstration", to temporarily provide an offering of an**
22 **innovative product or service in accordance with the provisions of the sandbox**
23 **program;**

24 **(6) "Department", the department of economic development;**

25 **(7) "Innovation", the use or incorporation of a new idea, a new or emerging**
26 **technology, or a new use of existing technology to address a problem, provide a benefit,**
27 **or otherwise offer a product, production method, or service;**

28 **(8) "Innovative offering", an offering of a product or service that includes an**
29 **innovation;**

30 **(9) "Product", a commercially distributed good that is:**

31 **(a) Tangible personal property; and**

32 **(b) The result of a production process;**

33 **(10) "Production", the method or process of creating or obtaining a good, which**
34 **may include assembling, breeding, capturing, collecting, extracting, fabricating,**
35 **farming, fishing, gathering, growing, harvesting, hunting, manufacturing, mining,**
36 **processing, raising, or trapping a good;**

37 **(11) "Regulatory relief office", the office responsible for administering the**
 sandbox program within the department;

38 (12) "Sandbox participant" or "participant", a person or business whose
39 application to participate in the sandbox program is approved in accordance with the
40 provisions of section 620.3915;

41 (13) "Sandbox program", the general regulatory sandbox program created in
42 sections 620.3900 to 620.3930 that allows a person to temporarily demonstrate an
43 innovative offering of a product or service under a waiver or suspension of one or more
44 state laws or regulations;

45 (14) "Sandbox program director", the director of the regulatory relief office;

46 (15) "Service", any commercial activity, duty, or labor performed for another
47 person or business. "Service" shall not include a product or service when its use would
48 impact rates of an electrical corporation or gas corporation, as defined in section
49 386.020, as determined by the public service commission, or of any rural electric
50 cooperative organized or operating under the provisions of chapter 394, or to any
51 corporation organized on a nonprofit or a cooperative basis as described in subsection 1
52 of section 394.200, or to any electrical corporation operating under a cooperative
53 business plan as described in subsection 2 of section 393.110.

620.3905. 1. There is hereby created within the department of economic
2 development the "Regulatory Relief Office", which shall be administered by the
3 sandbox program director. The sandbox program director shall report to the director
4 of the department and may appoint staff, subject to the approval of the director of the
5 department.

6 2. The regulatory relief office shall:

7 (1) Administer the sandbox program pursuant to sections 620.3900 to 620.3930;

8 (2) Act as a liaison between private businesses and applicable agencies that
9 regulate such businesses to identify state laws or regulations that could potentially be
10 waived or suspended under the sandbox program;

11 (3) Consult with each applicable agency; and

12 (4) Establish a program to enable a person to obtain monitored access to the
13 market in the state along with legal protections for a product or service related to the
14 laws or regulations that are being waived as a part of participation in the sandbox
15 program, in order to demonstrate an innovative product or service without obtaining a
16 license or other authorization that might otherwise be required.

17 3. The regulatory relief office shall:

18 (1) Review state laws and regulations that may unnecessarily inhibit the creation
19 and success of new companies or industries and provide recommendations to the
20 governor and the general assembly on modifying or repealing such state laws and
21 regulations;

22 **(2) Create a framework for analyzing the risk level of the health, safety, and**
23 **financial well-being of consumers related to permanently removing or temporarily**
24 **waiving laws and regulations inhibiting the creation or success of new and existing**
25 **companies or industries;**

26 **(3) Propose and enter into reciprocity agreements between states that use or are**
27 **proposing to use similar regulatory sandbox programs as described in sections 620.3900**
28 **to 620.3930, provided that such reciprocity agreement is supported by a two-thirds**
29 **majority vote of the advisory committee and the regulatory relief office is directed by an**
30 **order of the governor to pursue such reciprocity agreement;**

31 **(4) Enter into agreements with or adopt best practices of corresponding federal**
32 **regulatory agencies or other states that are administering similar programs;**

33 **(5) Consult with businesses in the state about existing or potential proposals for**
34 **the sandbox program; and**

35 **(6) In accordance with the provisions of chapter 536 and the provisions of**
36 **sections 620.3900 to 620.3930, make rules regarding the administration of the sandbox**
37 **program, including making rules regarding the application process and the reporting**
38 **requirements of sandbox participants. Any rule or portion of a rule, as that term is**
39 **defined in section 536.010, that is created under the authority delegated in this section**
40 **shall become effective only if it complies with and is subject to all of the provisions of**
41 **chapter 536 and, if applicable, section 536.028. This section and chapter 536 are**
42 **nonseverable, and if any of the powers vested with the general assembly pursuant to**
43 **chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are**
44 **subsequently held unconstitutional, then the grant of rulemaking authority and any rule**
45 **proposed or adopted after August 28, 2022, shall be invalid and void.**

46 **4. (1) The regulatory relief office shall create and maintain on the department's**
47 **website a web page that invites residents and businesses in the state to make suggestions**
48 **regarding laws and regulations that could be modified or eliminated to reduce the**
49 **regulatory burden on residents and businesses in the state.**

50 **(2) On at least a quarterly basis, the regulatory relief office shall compile the**
51 **relevant suggestions from the web page created pursuant to subdivision (1) of this**
52 **subsection and provide a written report to the governor and the general assembly.**

53 **(3) In creating the report described in subdivision (2) of this subsection, the**
54 **regulatory relief office:**

55 **(a) Shall provide the identity of residents and businesses that make suggestions**
56 **on the web page if those residents and businesses wish to comment publicly, and shall**
57 **ensure that the private information of residents and businesses that make suggestions on**
58 **the web page is not made public if they do not wish to comment publicly; and**

59 **(b) May evaluate the suggestions and provide analysis and suggestions regarding**
60 **which state laws and regulations could be modified or eliminated to reduce the**
61 **regulatory burden on residents and businesses in the state while still protecting**
62 **consumers.**

63 **5. (1) By October first of each year, the department shall submit an annual**
64 **report to the governor, the general assembly, and to each state agency which shall**
65 **include:**

66 **(a) Information regarding each participant in the sandbox program, including**
67 **industries represented by each participant and the anticipated or actual cost savings**
68 **that each participant experienced;**

69 **(b) The anticipated or actual benefit to consumers created by each**
70 **demonstration in the sandbox program;**

71 **(c) Recommendations regarding any laws or regulations that should be**
72 **permanently modified or repealed;**

73 **(d) Information regarding any health and safety events related to the activities of**
74 **a participant in the sandbox program; and**

75 **(e) Recommendations for changes to the sandbox program or other duties of the**
76 **regulatory relief office.**

77 **(2) The department may provide an interim report from the sandbox program**
78 **director to the governor and general assembly on specific, time-sensitive issues for the**
79 **functioning of the sandbox program, for the health and safety of consumers, for the**
80 **success of participants in the program, and for other issues of urgent need.**

620.3910. 1. There is hereby created the "General Regulatory Sandbox
2 **Program Advisory Committee", to be composed of the following members:**

3 **(1) The director of the department of economic development or his or her**
4 **designee;**

5 **(2) The director of the department of commerce and insurance or his or her**
6 **designee;**

7 **(3) The attorney general or his or her designee;**

8 **(4) A member of the public to be appointed by the governor;**

9 **(5) A member of the public or of an institution of higher education, to be**
10 **appointed by the governor;**

11 **(6) A member of an institution of higher education, to be appointed by the**
12 **director of the department of higher education and workforce development;**

13 **(7) Two members of the house of representatives, one to be appointed by the**
14 **speaker of the house of representatives and one to be appointed by the minority leader**
15 **of the house of representatives;**

16 **(8) Two members of the senate, one to be appointed by the president pro**
17 **tempore of the senate and one to be appointed by the minority leader of the senate; and**

18 **(9) An employee of the office of public counsel, to be appointed by the public**
19 **counsel.**

20 **2. (1) Advisory committee members shall be appointed to a four-year term.**
21 **Members who cease holding elective office shall be replaced by the speaker or minority**
22 **leader of the house of representatives or the president pro tempore or minority floor**
23 **leader of the senate, as applicable. The sandbox program director may establish the**
24 **terms of initial appointments so that approximately half of the advisory committee is**
25 **appointed every two years.**

26 **(2) The sandbox program director shall select a chair of the advisory committee**
27 **every two years in consultation with the members of the advisory committee.**

28 **(3) No appointee of the governor, speaker of the house of representatives, or**
29 **president pro tempore of the senate may serve more than two complete terms.**

30 **3. A majority of the advisory committee shall constitute a quorum for the**
31 **purpose of conducting business, and the action of a majority of a quorum shall**
32 **constitute the action of the advisory committee, except as provided in subsection 4 of**
33 **this section.**

34 **4. The advisory committee may, at its own discretion, meet to override a decision**
35 **of the regulatory relief office on the admission or denial of an applicant to the sandbox**
36 **program, provided such override is decided with a two-thirds majority vote of the**
37 **members of the advisory committee, and further provided that such vote shall be taken**
38 **within fifteen business days of the regulatory relief office's decision.**

39 **5. The advisory committee shall advise and make recommendations to the**
40 **regulatory relief office on whether to approve applications to the sandbox program**
41 **pursuant to section 620.3915.**

42 **6. The regulatory relief office shall provide administrative staff support for the**
43 **advisory committee.**

44 **7. The members of the advisory committee shall serve without compensation,**
45 **but may be reimbursed for any actual and necessary expenses incurred in the**
46 **performance of the advisory committee's official duties.**

47 **8. Meetings of the advisory committee shall be considered public meetings for**
48 **the purposes of chapter 610. However, a meeting of the committee shall be a closed**
49 **meeting if the purpose of the meeting is to discuss an application for participation in the**
50 **regulatory sandbox and failing to hold a closed meeting would reveal information that**
51 **constitutes proprietary or confidential trade secrets. Upon approval by a majority vote**
52 **by members of the advisory committee, the advisory committee shall be allowed to**

53 **conduct remote meetings, and individual members shall be allowed to attend meetings**
54 **remotely. The advisory committee shall provide the public the ability to view any such**
55 **remote meetings.**

620.3915. 1. An applicant for the sandbox program shall provide to the
2 **regulatory relief office an application in a form prescribed by the regulatory relief office**
3 **that:**

4 **(1) Confirms the applicant is subject to the jurisdiction of the state;**

5 **(2) Confirms the applicant has established physical residence or a virtual**
6 **location in the state from which the demonstration of an innovative offering will be**
7 **developed and performed, and where all required records, documents, and data will be**
8 **maintained;**

9 **(3) Contains relevant personal and contact information for the applicant,**
10 **including legal names, addresses, telephone numbers, email addresses, website**
11 **addresses, and other information required by the regulatory relief office;**

12 **(4) Discloses criminal convictions of the applicant or other participating**
13 **personnel, if any; and**

14 **(5) Contains a description of the innovative offering to be demonstrated,**
15 **including statements regarding:**

16 **(a) How the innovative offering is subject to licensing, legal prohibition, or other**
17 **authorization requirements outside of the sandbox program;**

18 **(b) Each law or regulation that the applicant seeks to have waived or suspended**
19 **while participating in the sandbox program;**

20 **(c) How the innovative offering would benefit consumers;**

21 **(d) How the innovative offering is different from other innovative offerings**
22 **available in the state;**

23 **(e) The risks that might exist for consumers who use or purchase the innovative**
24 **offering;**

25 **(f) How participating in the sandbox program would enable a successful**
26 **demonstration of the innovative offering of an innovative product or service;**

27 **(g) A description of the proposed demonstration plan, including estimated time**
28 **periods for beginning and ending the demonstration;**

29 **(h) Recognition that the applicant will be subject to all laws and regulations**
30 **pertaining to the applicant's innovative offering after the conclusion of the**
31 **demonstration;**

32 **(i) How the applicant will end the demonstration and protect consumers if the**
33 **demonstration fails;**

34 (j) A list of each applicable agency, if any, that the applicant knows regulates the
35 applicant's business; and

36 (k) Any other required information as determined by the regulatory relief office.

37 2. An applicant shall remit to the regulatory relief office an application fee of
38 three hundred dollars per application for each innovative offering. Such application
39 fees shall be used by the regulatory relief office solely for the purpose of implementing
40 the provisions of sections 620.3900 to 620.3930.

41 3. An applicant shall file a separate application for each innovative offering that
42 the applicant wishes to demonstrate.

43 4. An applicant for the sandbox program may contact the regulatory relief office
44 to request a consultation regarding the sandbox program before submitting an
45 application. The regulatory relief office may provide assistance to an applicant in
46 preparing an application for submission.

47 5. (1) After an application is filed, the regulatory relief office shall:

48 (a) Consult with each applicable agency that regulates the applicant's business
49 regarding whether more information is needed from the applicant; and

50 (b) Seek additional information from the applicant that the regulatory relief
51 office determines is necessary.

52 (2) No later than fifteen business days after the day on which a completed
53 application is received by the regulatory relief office, the regulatory relief office shall:

54 (a) Review the application and refer the application to each applicable agency
55 that regulates the applicant's business; and

56 (b) Provide to the applicant:

57 a. An acknowledgment of receipt of the application; and

58 b. The identity and contact information of each applicable agency to which the
59 application has been referred for review.

60 (3) No later than forty-five days after the day on which an applicable agency
61 receives a completed application for review, the applicable agency shall provide a
62 written report to the sandbox program director with the applicable agency's findings.
63 Such report shall:

64 (a) Describe any identifiable, likely, and significant harm to the health, safety, or
65 financial well-being of consumers that the relevant law or regulation protects against;
66 and

67 (b) Make a recommendation to the regulatory relief office that the applicant
68 either be admitted or denied entrance into the sandbox program.

69 (4) An applicable agency may request an additional ten business days to deliver
70 the written report required by subdivision (3) of this subsection by providing notice to

71 the sandbox program director, which request shall automatically be granted. An
72 applicable agency may request only one extension per application. The sandbox
73 program director may also provide an additional extension to the applicable agency for
74 cause.

75 (5) If an applicable agency recommends an applicant under this section be
76 denied entrance into the sandbox program, the written report required by subdivision
77 (3) of this subsection shall include a description of the reasons for such recommendation,
78 including the reason a temporary waiver or suspension of the relevant laws or
79 regulations would potentially significantly harm the health, safety, or financial well-
80 being of consumers or the public and the assessed likelihood of such harm occurring.

81 (6) If an applicable agency determines that the consumer's or public's health,
82 safety, or financial well-being can be protected through less restrictive means than the
83 existing relevant laws or regulations, the applicable agency shall provide a
84 recommendation of how that can be achieved.

85 (7) If an applicable agency fails to deliver the written report required by
86 subdivision (3) of this subsection, the sandbox program director shall provide a final
87 notice to the applicable agency for delivery of the written report. If the report is not
88 delivered within five days of such final notice, the sandbox program director shall
89 assume that the applicable agency does not object to the temporary waiver or
90 suspension of the relevant laws or regulations for an applicant seeking to participate in
91 the sandbox program.

92 6. (1) Notwithstanding any provision of this section to the contrary, an
93 applicable agency may, by written notice to the regulatory relief office:

94 (a) Reject an application, provided such rejection occurs within forty-five days
95 after the day on which the applicable agency receives a complete application for review,
96 or within fifty days if an extension has been requested by the applicable agency, if the
97 applicable agency determines, in the applicable agency's sole discretion, that the
98 applicant's offering fails to comply with standards or specifications:

99 a. Required by federal rule or regulation; or

100 b. Previously approved for use by a federal agency; or

101 (b) Reject an application preliminarily approved by the regulatory relief office,
102 if the applicable agency:

103 a. Recommends rejection of the application in the applicable agency's written
104 report submitted pursuant to subdivision (3) of subsection 5 of this section; and

105 b. Provides in the written report submitted pursuant to subdivision (3) of
106 subsection 5 of this section a description of the applicable agency's reasons approval of

107 the application would create a substantial risk of harm to the health or safety of the
108 public, or create unreasonable expenses for taxpayers in the state.

109 (2) If any applicable agency rejects an application on a nonpreliminary basis
110 pursuant to subdivision (1) of this subsection, the regulatory relief office shall not
111 approve the application.

112 7. (1) The sandbox program director shall provide all applications and
113 associated written reports to the advisory committee upon receiving a written report
114 from an applicable agency.

115 (2) The sandbox program director may call the advisory committee to meet as
116 needed, but not less than once per quarter if applications are available for review.

117 (3) After receiving and reviewing the application and each associated written
118 report, the advisory committee shall provide to the sandbox program director the
119 advisory committee's recommendation as to whether the applicant should be admitted
120 as a sandbox participant.

121 (4) As part of the advisory committee's review of each report, the advisory
122 committee shall use criteria used by applicable agencies to evaluate applications.

123 8. The regulatory relief office shall consult with each applicable agency and the
124 advisory committee before admitting an applicant into the sandbox program. Such
125 consultation may include seeking information about whether:

126 (1) The applicable agency has previously issued a license or other authorization
127 to the applicant; and

128 (2) The applicable agency has previously investigated, sanctioned, or pursued
129 legal action against the applicant.

130 9. In reviewing an application under this section, the regulatory relief office and
131 applicable agencies shall consider whether:

132 (1) A competitor to the applicant is or has been a sandbox participant and, if so,
133 weigh that as a factor in favor of allowing the applicant to also become a sandbox
134 participant;

135 (2) The applicant's plan will adequately protect consumers from potential harm
136 identified by an applicable agency in the applicable agency's written report;

137 (3) The risk of harm to consumers is outweighed by the potential benefits to
138 consumers from the applicant's participation in the sandbox program; and

139 (4) Certain state laws or regulations that regulate an innovative offering should
140 not be waived or suspended even if the applicant is approved as a sandbox participant,
141 including applicable anti-fraud or disclosure provisions.

142 10. An applicant shall become a sandbox participant if the regulatory relief
143 office approves the application for the sandbox program and enters into a written

144 agreement with the applicant describing the specific laws and regulations that are
145 waived or suspended as part of participation in the sandbox program. Notwithstanding
146 any other provision of this section to the contrary, the regulatory relief office shall not
147 enter into a written agreement with an applicant that exempts the applicant from any
148 income, property, or sales tax liability unless such applicant otherwise qualifies for an
149 exemption from such tax.

150 **11. (1) The sandbox program director may deny at his or her sole discretion any**
151 **application submitted under this section for any reason, including if the sandbox**
152 **program director determines that the preponderance of evidence demonstrates that**
153 **suspending or waiving enforcement of a law or regulation would cause significant risk of**
154 **harm to consumers or residents of the state.**

155 **(2) If the sandbox program director denies an application submitted under this**
156 **section, the regulatory relief office shall provide to the applicant a written description of**
157 **the reasons for not allowing the applicant to become a sandbox participant.**

158 **(3) The denial of an application submitted under this section shall not be subject**
159 **to judicial or administrative review.**

160 **(4) The acceptance or denial of an application submitted under this section may**
161 **be overridden by an affirmative vote of a two-thirds majority of the advisory committee**
162 **at the discretion of the advisory committee, provided such vote shall take place within**
163 **fifteen business days of the sandbox program director's decision. Notwithstanding any**
164 **other provision of this section to the contrary, the advisory committee shall not override**
165 **a rejection made by an applicable agency.**

166 **(5) The sandbox program director shall deny an application for participation in**
167 **the sandbox program if the applicant or any person who seeks to participate with the**
168 **applicant in demonstrating an innovative offering has been convicted, entered into a**
169 **plea of nolo contendere, or entered a plea of guilty or nolo contendere held in abeyance,**
170 **for any crime involving significant theft, fraud, or dishonesty if the crime bears a**
171 **significant relationship to the applicant's or other participant's ability to safely and**
172 **competently participate in the sandbox program.**

173 **12. When an applicant is approved for participation in the sandbox program,**
174 **the sandbox program director may provide notice of the approval to competitors of the**
175 **applicant and to the general public.**

176 **13. Applications to participate in the sandbox program shall be considered**
177 **public records for the purposes of chapter 610, provided, however, that any information**
178 **contained in such applications that constitutes proprietary or confidential trade secrets**
179 **shall not be subject to disclosure pursuant to chapter 610.**

2 **620.3920. 1. If the regulatory relief office approves an application pursuant to**
3 **section 620.3915, the sandbox participant shall have twenty-four months after the day**
4 **on which the application was approved to demonstrate the innovative offering described**
5 **in the sandbox participant's application.**

6 **2. An innovative offering that is demonstrated within the sandbox program shall**
7 **only be available to consumers who are residents of Missouri or of another state. No law**
8 **or regulation shall be waived or suspended if waiving or suspending such law or**
9 **regulation would prevent a consumer from seeking restitution in the event that the**
10 **consumer is harmed.**

11 **3. Nothing in sections 620.3900 to 620.3930 shall restrict a sandbox participant**
12 **that holds a license or other authorization in another jurisdiction from acting in**
13 **accordance with such license or other authorization in that jurisdiction.**

14 **4. A sandbox participant shall be deemed to possess an appropriate license or**
15 **other authorization under the laws of this state for the purposes of any provision of**
16 **federal law requiring licensure or other authorization by the state.**

17 **5. (1) During the demonstration period, a sandbox participant shall not be**
18 **subject to the enforcement of state laws or regulations identified in the written**
19 **agreement between the regulatory relief office and the sandbox participant.**

20 **(2) A prosecutor shall not file or pursue charges pertaining to any action related**
21 **to a law or regulation identified in the written agreement between the regulatory relief**
22 **office and the sandbox participant that occurs during the demonstration period.**

23 **(3) A state agency shall not file or pursue any punitive action against a sandbox**
24 **participant, including a fine or license suspension or revocation, for the violation of a**
25 **law or regulation that is identified as being waived or suspended in the written**
26 **agreement between the regulatory relief office and the sandbox participant that occurs**
27 **during the demonstration period.**

28 **6. Notwithstanding any provision of this section to the contrary, a sandbox**
29 **participant shall not have immunity related to any criminal offense committed during**
30 **the sandbox participant's participation in the sandbox program.**

31 **7. By written notice, the regulatory relief office may end a sandbox participant's**
32 **participation in the sandbox program at any time and for any reason, including if the**
33 **sandbox program director determines that a sandbox participant is not operating in**
34 **good faith to bring an innovative offering to market; provided, however, that the**
35 **sandbox program director's decision may be overridden by an affirmative vote of a two-**
thirds majority of the members of the advisory committee.

36 **8. The regulatory relief office and regulatory relief office's employees shall not**
37 **be liable for any business losses or the recouping of application expenses or other**
38 **expenses related to the sandbox program, including for:**

39 **(1) Denying an applicant's application to participate in the sandbox program for**
40 **any reason; or**

41 **(2) Ending a sandbox participant's participation in the sandbox program at any**
42 **time and for any reason.**

620.3925. 1. Before demonstrating an innovative offering to a consumer, a
2 **sandbox participant shall disclose the following information to the consumer:**

3 **(1) The name and contact information of the sandbox participant;**

4 **(2) A statement that the innovative offering is authorized pursuant to the**
5 **sandbox program and, if applicable, that the sandbox participant does not have a license**
6 **or other authorization to provide an innovative offering under state laws that regulate**
7 **offerings outside of the sandbox program;**

8 **(3) A statement that specific laws and regulations have been waived for the**
9 **sandbox participant for the duration of its demonstration in the sandbox program, with**
10 **a summary of such waived laws and regulations;**

11 **(4) A statement that the innovative offering is undergoing testing and may not**
12 **function as intended and may expose the consumer to certain risks as identified by the**
13 **applicable agency's written report;**

14 **(5) A statement that the provider of the innovative offering is not immune from**
15 **civil liability for any losses or damages caused by the innovative offering;**

16 **(6) A statement that the provider of the innovative offering is not immune from**
17 **criminal prosecution for violations of state law or regulations that are not suspended or**
18 **waived as allowed within the sandbox program;**

19 **(7) A statement that the innovative offering is a temporary demonstration that**
20 **may be discontinued at the end of the demonstration period;**

21 **(8) The expected end date of the demonstration period; and**

22 **(9) A statement that a consumer may contact the regulatory relief office and file**
23 **a complaint regarding the innovative offering being demonstrated, providing the**
24 **regulatory relief office's telephone number, email address, and website address where a**
25 **complaint may be filed.**

26 **2. The disclosures required by subsection 1 of this section shall be provided to a**
27 **consumer in a clear and conspicuous form and, for an internet- or application-based**
28 **innovative offering, a consumer shall acknowledge receipt of the disclosure before any**
29 **transaction may be completed.**

30 **3. The regulatory relief office may require that a sandbox participant make**
31 **additional disclosures to a consumer.**

620.3930. 1. At least forty-five days before the end of the twenty-four-month
2 **demonstration period, a sandbox participant shall:**

3 **(1) Notify the regulatory relief office that the sandbox participant will exit the**
4 **sandbox program and discontinue the sandbox participant's demonstration after the**
5 **day on which the twenty-four-month demonstration period ends; or**

6 **(2) Seek an extension pursuant to subsection 4 of this section.**

7 **2. If the regulatory relief office does not receive notification as required by**
8 **subsection 1 of this section, the demonstration period shall end at the end of the twenty-**
9 **four-month demonstration period.**

10 **3. If a demonstration includes an innovative offering that requires ongoing**
11 **services or duties beyond the twenty-four-month demonstration period, the sandbox**
12 **participant may continue to demonstrate the innovative offering but shall be subject to**
13 **enforcement of the laws or regulations that were waived or suspended as part of the**
14 **sandbox program.**

15 **4. (1) No later than forty-five days before the end of the twenty-four-month**
16 **demonstration period, a sandbox participant may request an extension of the**
17 **demonstration period.**

18 **(2) The regulatory relief office shall grant or deny a request for an extension by**
19 **the end of the twenty-four month demonstration period.**

20 **(3) The regulatory relief office may grant an extension for not more than twelve**
21 **months after the end of the demonstration period.**

22 **(4) Sandbox participants may apply for additional extensions in accordance with**
23 **the criteria used to assess their initial application, up to a cumulative maximum of seven**
24 **years inclusive of the original twenty-four-month demonstration period.**

25 **5. (1) A sandbox participant shall retain records, documents, and data produced**
26 **in the ordinary course of business regarding an innovative offering demonstrated in the**
27 **sandbox program for twenty-four months after exiting the sandbox program.**

28 **(2) The regulatory relief office may request relevant records, documents, and**
29 **data from a sandbox participant, and, upon the regulatory relief office's request, the**
30 **sandbox participant shall make such records, documents, and data available for**
31 **inspection by the regulatory relief office.**

32 **6. If a sandbox participant ceases to provide an innovative offering before the**
33 **end of a demonstration period, the sandbox participant shall notify the regulatory relief**
34 **office and each applicable agency and report on actions taken by the sandbox**
35 **participant to ensure consumers have not been harmed as a result.**

36 7. The regulatory relief office shall establish quarterly reporting requirements
37 for each sandbox participant, including information about any consumer complaints.

38 8. (1) The sandbox participant shall notify the regulatory relief office and each
39 applicable agency of any incidents that result in harm to the health, safety, or financial
40 well-being of a consumer. The parameters for such incidents that shall be reported shall
41 be laid out in the written agreement between the applicant and the regulatory relief
42 office. Any incident reports shall be publicly available on the regulatory sandbox
43 webpage provided, however, that any information contained in such reports that
44 constitutes proprietary or confidential trade secrets shall not be subject to disclosure
45 pursuant to chapter 610.

46 (2) If a sandbox participant fails to notify the regulatory relief office and each
47 applicable agency of any incidents required to be reported, or the regulatory relief office
48 or an applicable agency has evidence that significant harm to a consumer has occurred,
49 the regulatory relief office may immediately remove the sandbox participant from the
50 sandbox program.

51 9. No later than thirty days after the day on which a sandbox participant exits
52 the sandbox program, the sandbox participant shall submit a written report to the
53 regulatory relief office and each applicable agency describing an overview of the
54 sandbox participant's demonstration. Failure to submit such a report shall result in the
55 sandbox participant and any entity that later employs a member of the leadership team
56 of the sandbox participant being prohibited from future participation in the sandbox
57 program. Such report shall include any:

58 (1) Incidents of harm to consumers;

59 (2) Legal action filed against the sandbox participant as a result of the
60 participant's demonstration; or

61 (3) Complaint filed with an applicable agency as a result of the sandbox
62 participant's demonstration.

63

64 Any incident reports of harm to consumers, legal actions filed against a sandbox
65 participant, or complaints filed with an applicable agency shall be compiled and made
66 publicly available on the regulatory sandbox webpage provided, however, that any
67 information contained in such reports or complaints that constitutes proprietary or
68 confidential trade secrets shall not be subject to disclosure pursuant to chapter 610.

69 10. No later than thirty days after the day on which an applicable agency
70 receives the quarterly report required by subsection 7 of this section or a written report
71 from a sandbox participant as required by subsection 9 of this section, the applicable
72 agency shall provide a written report to the regulatory relief office on the

73 **demonstration, which describes any statutory or regulatory reform the applicable**
74 **agency recommends as a result of the demonstration.**

75 **11. The regulatory relief office may remove a sandbox participant from the**
76 **sandbox program at any time if the regulatory relief office determines that a sandbox**
77 **participant has engaged in, is engaging in, or is about to engage in any practice or**
78 **transaction that is in violation of sections 620.3900 to 620.3930 or that constitutes a**
79 **violation of a law or regulation for which suspension or waiver has not been granted**
80 **pursuant to the sandbox program. Information on any removal of a sandbox**
81 **participant for engaging in any practice or transaction that constitutes a violation of law**
82 **or regulation for which suspension or waiver has not been granted pursuant to the**
83 **sandbox program shall be made publicly available on the regulatory sandbox webpage**
84 **provided, however, that any information that constitutes proprietary or confidential**
85 **trade secrets shall not be subject to disclosure pursuant to chapter 610.**

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