

House _____ Amendment NO. _____

Offered By _____

1 AMEND Senate Bill No. 63, Page 1, Section A, Line 3, by inserting after all of said section and line
2 the following:
3

4 "30.753. 1. The state treasurer may invest in linked deposits; however, the total amount so
5 deposited at any one time shall not exceed, in the aggregate, ~~[eight hundred million]~~ one billion
6 dollars. ~~[No more than three hundred thirty million dollars of]~~ The aggregate deposit shall be used
7 for linked deposits to eligible farming operations, eligible locally owned businesses, eligible
8 agribusinesses, eligible beginning farmers, eligible livestock operations, ~~[and]~~ eligible facility
9 borrowers, ~~[no more than one hundred ninety million of the aggregate deposit shall be used for~~
10 ~~linked deposits to]~~ and eligible small businesses~~]~~. No more than ~~[twenty million dollars]~~ five
11 percent shall be used for linked deposits to eligible multitenant development enterprises, and no
12 more than ~~[twenty million dollars]~~ five percent of the aggregate deposit shall be used for linked
13 deposits to eligible residential property developers and eligible residential property owners, and no
14 more than ~~[two hundred twenty million dollars]~~ twenty percent of the aggregate deposit shall be
15 used for linked deposits to eligible job enhancement businesses, and no more than ~~[twenty million~~
16 ~~dollars]~~ five percent of the aggregate deposit shall be used for linked deposit loans to eligible water
17 systems. Linked deposit loans may be made to eligible student borrowers, eligible alternative
18 energy operations, eligible alternative energy consumers, and eligible governmental entities from
19 the aggregate deposit. If demand for a particular type of linked deposit exceeds the initial
20 allocation, and funds initially allocated to another type are available and not in demand, the state
21 treasurer may commingle allocations among the types of linked deposits.

22 2. The minimum deposit to be made by the state treasurer to an eligible lending institution
23 for eligible job enhancement business loans shall be ninety thousand dollars. Linked deposit loans
24 for eligible job enhancement businesses may be made for the purposes of assisting with relocation
25 expenses, working capital, interim construction, inventory, site development, machinery and
26 equipment, or other expenses necessary to create or retain jobs in the recipient firm.

27 130.011. As used in this chapter, unless the context clearly indicates otherwise, the
28 following terms mean:

29 (1) "Appropriate officer" or "appropriate officers", the person or persons designated in
30 section 130.026 to receive certain required statements and reports;

Action Taken _____ Date _____

1 (2) "Ballot measure" or "measure", any proposal submitted or intended to be submitted to
2 qualified voters for their approval or rejection, including any proposal submitted by initiative
3 petition, referendum petition, or by the general assembly or any local governmental body having
4 authority to refer proposals to the voter;

5 (3) "Candidate", an individual who seeks nomination or election to public office. The term
6 "candidate" includes an elected officeholder who is the subject of a recall election, an individual
7 who seeks nomination by the individual's political party for election to public office, an individual
8 standing for retention in an election to an office to which the individual was previously appointed,
9 an individual who seeks nomination or election whether or not the specific elective public office to
10 be sought has been finally determined by such individual at the time the individual meets the
11 conditions described in paragraph (a) or (b) of this subdivision, and an individual who is a write-in
12 candidate as defined in subdivision (28) of this section. A candidate shall be deemed to seek
13 nomination or election when the person first:

14 (a) Receives contributions or makes expenditures or reserves space or facilities with intent
15 to promote the person's candidacy for office; or

16 (b) Knows or has reason to know that contributions are being received or expenditures are
17 being made or space or facilities are being reserved with the intent to promote the person's
18 candidacy for office; except that, such individual shall not be deemed a candidate if the person files
19 a statement with the appropriate officer within five days after learning of the receipt of
20 contributions, the making of expenditures, or the reservation of space or facilities disavowing the
21 candidacy and stating that the person will not accept nomination or take office if elected; provided
22 that, if the election at which such individual is supported as a candidate is to take place within five
23 days after the person's learning of the above-specified activities, the individual shall file the
24 statement disavowing the candidacy within one day; or

25 (c) Announces or files a declaration of candidacy for office;

26 (4) "Cash", currency, coin, United States postage stamps, or any negotiable instrument
27 which can be transferred from one person to another person without the signature or endorsement of
28 the transferor;

29 (5) "Check", a check drawn on a state or federal bank, or a draft on a negotiable order of
30 withdrawal account in a savings and loan association or a share draft account in a credit union;

31 (6) "Closing date", the date through which a statement or report is required to be complete;

32 (7) "Committee", a person or any combination of persons, who accepts contributions or
33 makes expenditures for the primary or incidental purpose of influencing or attempting to influence
34 the action of voters for or against the nomination or election to public office of one or more
35 candidates or the qualification, passage or defeat of any ballot measure or for the purpose of paying
36 a previously incurred campaign debt or obligation of a candidate or the debts or obligations of a
37 committee or for the purpose of contributing funds to another committee:

38 (a) "Committee", does not include:

1 a. A person or combination of persons, if neither the aggregate of expenditures made nor the
2 aggregate of contributions received during a calendar year exceeds five hundred dollars and if no
3 single contributor has contributed more than two hundred fifty dollars of such aggregate
4 contributions;

5 b. An individual, other than a candidate, who accepts no contributions and who deals only
6 with the individual's own funds or property;

7 c. A corporation, cooperative association, partnership, proprietorship, or joint venture
8 organized or operated for a primary or principal purpose other than that of influencing or attempting
9 to influence the action of voters for or against the nomination or election to public office of one or
10 more candidates or the qualification, passage or defeat of any ballot measure, and it accepts no
11 contributions, and all expenditures it makes are from its own funds or property obtained in the usual
12 course of business or in any commercial or other transaction and which are not contributions as
13 defined by subdivision (12) of this section;

14 d. A labor organization organized or operated for a primary or principal purpose other than
15 that of influencing or attempting to influence the action of voters for or against the nomination or
16 election to public office of one or more candidates, or the qualification, passage, or defeat of any
17 ballot measure, and it accepts no contributions, and expenditures made by the organization are from
18 its own funds or property received from membership dues or membership fees which were given or
19 solicited for the purpose of supporting the normal and usual activities and functions of the
20 organization and which are not contributions as defined by subdivision (12) of this section;

21 e. A person who acts as an authorized agent for a committee in soliciting or receiving
22 contributions or in making expenditures or incurring indebtedness on behalf of the committee if
23 such person renders to the committee treasurer or deputy treasurer or candidate, if applicable, an
24 accurate account of each receipt or other transaction in the detail required by the treasurer to comply
25 with all record-keeping and reporting requirements of this chapter;

26 f. Any department, agency, board, institution or other entity of the state or any of its
27 subdivisions or any officer or employee thereof, acting in the person's official capacity;

28 (b) The term "committee" includes, but is not limited to, each of the following committees:
29 campaign committee, candidate committee, continuing committee and political party committee;

30 (8) "Campaign committee", a committee, other than a candidate committee, which shall be
31 formed by an individual or group of individuals to receive contributions or make expenditures and
32 whose sole purpose is to support or oppose the qualification and passage of one or more particular
33 ballot measures in an election or the retention of judges under the nonpartisan court plan, such
34 committee shall be formed no later than thirty days prior to the election for which the committee
35 receives contributions or makes expenditures, and which shall terminate the later of either thirty
36 days after the general election or upon the satisfaction of all committee debt after the general
37 election, except that no committee retiring debt shall engage in any other activities in support of a
38 measure for which the committee was formed;

1 (9) "Candidate committee", a committee which shall be formed by a candidate to receive
2 contributions or make expenditures in behalf of the person's candidacy and which shall continue in
3 existence for use by an elected candidate or which shall terminate the later of either thirty days after
4 the general election for a candidate who was not elected or upon the satisfaction of all committee
5 debt after the election, except that no committee retiring debt shall engage in any other activities in
6 support of the candidate for which the committee was formed. Any candidate for elective office
7 shall have only one candidate committee for the elective office sought, which is controlled directly
8 by the candidate for the purpose of making expenditures. A candidate committee is presumed to be
9 under the control and direction of the candidate unless the candidate files an affidavit with the
10 appropriate officer stating that the committee is acting without control or direction on the
11 candidate's part;

12 (10) "Continuing committee", a committee of continuing existence which is not formed,
13 controlled or directed by a candidate, and is a committee other than a candidate committee or
14 campaign committee, whose primary or incidental purpose is to receive contributions or make
15 expenditures to influence or attempt to influence the action of voters whether or not a particular
16 candidate or candidates or a particular ballot measure or measures to be supported or opposed has
17 been determined at the time the committee is required to file any statement or report pursuant to the
18 provisions of this chapter. "Continuing committee" includes, but is not limited to, any committee
19 organized or sponsored by a business entity, a labor organization, a professional association, a trade
20 or business association, a club or other organization and whose primary purpose is to solicit, accept
21 and use contributions from the members, employees or stockholders of such entity and any
22 individual or group of individuals who accept and use contributions to influence or attempt to
23 influence the action of voters. Such committee shall be formed no later than sixty days prior to the
24 election for which the committee receives contributions or makes expenditures;

25 (11) "Connected organization", any organization such as a corporation, a labor organization,
26 a membership organization, a cooperative, or trade or professional association which expends funds
27 or provides services or facilities to establish, administer or maintain a committee or to solicit
28 contributions to a committee from its members, officers, directors, employees or security holders.
29 An organization shall be deemed to be the connected organization if more than fifty percent of the
30 persons making contributions to the committee during the current calendar year are members,
31 officers, directors, employees or security holders of such organization or their spouses;

32 (12) "Contribution", a payment, gift, loan, advance, deposit, or donation of money or
33 anything of value for the purpose of supporting or opposing the nomination or election of any
34 candidate for public office or the qualification, passage or defeat of any ballot measure, or for the
35 support of any committee supporting or opposing candidates or ballot measures or for paying debts
36 or obligations of any candidate or committee previously incurred for the above purposes. A
37 contribution of anything of value shall be deemed to have a money value equivalent to the fair
38 market value. "Contribution" includes, but is not limited to:

1 (a) A candidate's own money or property used in support of the person's candidacy other
2 than expense of the candidate's food, lodging, travel, and payment of any fee necessary to the filing
3 for public office;

4 (b) Payment by any person, other than a candidate or committee, to compensate another
5 person for services rendered to that candidate or committee;

6 (c) Receipts from the sale of goods and services, including the sale of advertising space in a
7 brochure, booklet, program or pamphlet of a candidate or committee and the sale of tickets or
8 political merchandise;

9 (d) Receipts from fund-raising events including testimonial affairs;

10 (e) Any loan, guarantee of a loan, cancellation or forgiveness of a loan or debt or other
11 obligation by a third party, or payment of a loan or debt or other obligation by a third party if the
12 loan or debt or other obligation was contracted, used, or intended, in whole or in part, for use in an
13 election campaign or used or intended for the payment of such debts or obligations of a candidate or
14 committee previously incurred, or which was made or received by a committee;

15 (f) Funds received by a committee which are transferred to such committee from another
16 committee or other source, except funds received by a candidate committee as a transfer of funds
17 from another candidate committee controlled by the same candidate but such transfer shall be
18 included in the disclosure reports;

19 (g) Facilities, office space or equipment supplied by any person to a candidate or committee
20 without charge or at reduced charges, except gratuitous space for meeting purposes which is made
21 available regularly to the public, including other candidates or committees, on an equal basis for
22 similar purposes on the same conditions;

23 (h) The direct or indirect payment by any person, other than a connected organization, of the
24 costs of establishing, administering, or maintaining a committee, including legal, accounting and
25 computer services, fund raising and solicitation of contributions for a committee;

26 (i) "Contribution" does not include:

27 a. Ordinary home hospitality or services provided without compensation by individuals
28 volunteering their time in support of or in opposition to a candidate, committee or ballot measure,
29 nor the necessary and ordinary personal expenses of such volunteers incidental to the performance
30 of voluntary activities, so long as no compensation is directly or indirectly asked or given;

31 b. An offer or tender of a contribution which is expressly and unconditionally rejected and
32 returned to the donor within ten business days after receipt or transmitted to the state treasurer;

33 c. Interest earned on deposit of committee funds;

34 d. The costs incurred by any connected organization listed pursuant to subdivision (4) of
35 subsection 5 of section 130.021 for establishing, administering or maintaining a committee, or for
36 the solicitation of contributions to a committee which solicitation is solely directed or related to the
37 members, officers, directors, employees or security holders of the connected organization;

38 (13) "County", any one of the several counties of this state or the city of St. Louis;

1 (14) "Disclosure report", an itemized report of receipts, expenditures and incurred
2 indebtedness which is prepared on forms approved by the Missouri ethics commission and filed at
3 the times and places prescribed;

4 (15) "Election", any primary, general or special election held to nominate or elect an
5 individual to public office, to retain or recall an elected officeholder or to submit a ballot measure to
6 the voters, and any caucus or other meeting of a political party or a political party committee at
7 which that party's candidate or candidates for public office are officially selected. A primary
8 election and the succeeding general election shall be considered separate elections;

9 (16) "Electronic means", any instrument, device, or service that facilitates an electronic
10 withdrawal of funds from a bank account including, but not limited to, credit cards, debit cards, and
11 the presentation of a credit or debit card account number;

12 (17) "Expenditure", a payment, advance, conveyance, deposit, donation or contribution of
13 money or anything of value for the purpose of supporting or opposing the nomination or election of
14 any candidate for public office or the qualification or passage of any ballot measure or for the
15 support of any committee which in turn supports or opposes any candidate or ballot measure or for
16 the purpose of paying a previously incurred campaign debt or obligation of a candidate or the debts
17 or obligations of a committee; a payment, or an agreement or promise to pay, money or anything of
18 value, including a candidate's own money or property, for the purchase of goods, services, property,
19 facilities or anything of value for the purpose of supporting or opposing the nomination or election
20 of any candidate for public office or the qualification or passage of any ballot measure or for the
21 support of any committee which in turn supports or opposes any candidate or ballot measure or for
22 the purpose of paying a previously incurred campaign debt or obligation of a candidate or the debts
23 or obligations of a committee. An expenditure of anything of value shall be deemed to have a
24 money value equivalent to the fair market value. "Expenditure" includes, but is not limited to:

25 (a) Payment by anyone other than a committee for services of another person rendered to
26 such committee;

27 (b) The purchase of tickets, goods, services or political merchandise in connection with any
28 testimonial affair or fund-raising event of or for candidates or committees, or the purchase of
29 advertising in a brochure, booklet, program or pamphlet of a candidate or committee;

30 (c) The transfer of funds by one committee to another committee;

31 (d) The direct or indirect payment by any person, other than a connected organization for a
32 committee, of the costs of establishing, administering or maintaining a committee, including legal,
33 accounting and computer services, fund raising and solicitation of contributions for a committee; but

34 (e) "Expenditure" does not include:

35 a. Any news story, commentary or editorial which is broadcast or published by any
36 broadcasting station, newspaper, magazine or other periodical without charge to the candidate or to
37 any person supporting or opposing a candidate or ballot measure;

38 b. The internal dissemination by any membership organization, proprietorship, labor
39 organization, corporation, association or other entity of information advocating the election or defeat

1 of a candidate or candidates or the passage or defeat of a ballot measure or measures to its directors,
 2 officers, members, employees or security holders, provided that the cost incurred is reported
 3 pursuant to subsection 2 of section 130.051;

4 c. Repayment of a loan, but such repayment shall be indicated in required reports;

5 d. The rendering of voluntary personal services by an individual of the sort commonly
 6 performed by volunteer campaign workers and the payment by such individual of the individual's
 7 necessary and ordinary personal expenses incidental to such volunteer activity, provided no
 8 compensation is, directly or indirectly, asked or given;

9 e. The costs incurred by any connected organization listed pursuant to subdivision (4) of
 10 subsection 5 of section 130.021 for establishing, administering or maintaining a committee, or for
 11 the solicitation of contributions to a committee which solicitation is solely directed or related to the
 12 members, officers, directors, employees or security holders of the connected organization;

13 f. The use of a candidate's own money or property for expense of the candidate's personal
 14 food, lodging, travel, and payment of any fee necessary to the filing for public office, if such
 15 expense is not reimbursed to the candidate from any source;

16 ~~[(17)]~~ (18) "Exploratory committees", a committee which shall be formed by an individual
 17 to receive contributions and make expenditures on behalf of this individual in determining whether
 18 or not the individual seeks elective office. Such committee shall terminate no later than December
 19 thirty-first of the year prior to the general election for the possible office;

20 ~~[(18)]~~ (19) "Fund-raising event", an event such as a dinner, luncheon, reception, coffee,
 21 testimonial, rally, auction or similar affair through which contributions are solicited or received by
 22 such means as the purchase of tickets, payment of attendance fees, donations for prizes or through
 23 the purchase of goods, services or political merchandise;

24 ~~[(19)]~~ (20) "In-kind contribution" or "in-kind expenditure", a contribution or expenditure in
 25 a form other than money;

26 ~~[(20)]~~ (21) "Labor organization", any organization of any kind, or any agency or employee
 27 representation committee or plan, in which employees participate and which exists for the purpose,
 28 in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of
 29 pay, hours of employment, or conditions of work;

30 ~~[(21)]~~ (22) "Loan", a transfer of money, property or anything of ascertainable monetary
 31 value in exchange for an obligation, conditional or not, to repay in whole or in part and which was
 32 contracted, used, or intended for use in an election campaign, or which was made or received by a
 33 committee or which was contracted, used, or intended to pay previously incurred campaign debts or
 34 obligations of a candidate or the debts or obligations of a committee;

35 ~~[(22)]~~ (23) "Person", an individual, group of individuals, corporation, partnership,
 36 committee, proprietorship, joint venture, any department, agency, board, institution or other entity of
 37 the state or any of its political subdivisions, union, labor organization, trade or professional or
 38 business association, association, political party or any executive committee thereof, or any other

1 club or organization however constituted or any officer or employee of such entity acting in the
2 person's official capacity;

3 ~~[(23)]~~ (24) "Political merchandise", goods such as bumper stickers, pins, hats, ties, jewelry,
4 literature, or other items sold or distributed at a fund-raising event or to the general public for
5 publicity or for the purpose of raising funds to be used in supporting or opposing a candidate for
6 nomination or election or in supporting or opposing the qualification, passage or defeat of a ballot
7 measure;

8 ~~[(24)]~~ (25) "Political party", a political party which has the right under law to have the
9 names of its candidates listed on the ballot in a general election;

10 ~~[(25)]~~ (26) "Political party committee", a state, district, county, city, or area committee of a
11 political party, as defined in section 115.603, which may be organized as a not-for-profit corporation
12 under Missouri law, and which committee is of continuing existence, and has the primary or
13 incidental purpose of receiving contributions and making expenditures to influence or attempt to
14 influence the action of voters on behalf of the political party;

15 ~~[(26)]~~ (27) "Public office" or "office", any state, judicial, county, municipal, school or other
16 district, ward, township, or other political subdivision office or any political party office which is
17 filled by a vote of registered voters;

18 ~~[(27)]~~ (28) "Regular session", includes that period beginning on the first Wednesday after
19 the first Monday in January and ending following the first Friday after the second Monday in May;

20 ~~[(28)]~~ (29) "Write-in candidate", an individual whose name is not printed on the ballot but
21 who otherwise meets the definition of candidate in subdivision (3) of this section.

22 130.021. 1. Every committee shall have a treasurer who, except as provided in subsection
23 10 of this section, shall be a resident of this state and reside in the district or county in which the
24 committee sits. A committee may also have a deputy treasurer who, except as provided in
25 subsection 10 of this section, shall be a resident of this state and reside in the district or county in
26 which the committee sits, to serve in the capacity of committee treasurer in the event the committee
27 treasurer is unable for any reason to perform the treasurer's duties.

28 2. Every candidate for offices listed in subsection 1 of section 130.016 who has not filed a
29 statement of exemption pursuant to that subsection and every candidate for offices listed in
30 subsection 6 of section 130.016 who is not excluded from filing a statement of organization and
31 disclosure reports pursuant to subsection 6 of section 130.016 shall form a candidate committee and
32 appoint a treasurer. Thereafter, all contributions on hand and all further contributions received by
33 such candidate and any of the candidate's own funds to be used in support of the person's candidacy
34 shall be deposited in a candidate committee depository account established pursuant to the
35 provisions of subsection 4 of this section, and all expenditures shall be made through the candidate,
36 treasurer or deputy treasurer of the person's candidate committee. Nothing in this chapter shall
37 prevent a candidate from appointing himself or herself as a committee of one and serving as the
38 person's own treasurer, maintaining the candidate's own records and filing all the reports and
39 statements required to be filed by the treasurer of a candidate committee.

1 3. A candidate who has more than one candidate committee supporting the person's
2 candidacy shall designate one of those candidate committees as the committee responsible for
3 consolidating the aggregate contributions to all such committees under the candidate's control and
4 direction as required by section 130.041.

5 4. (1) Every committee shall have a single official fund depository within this state which
6 shall be a federally or state-chartered bank, a federally or state-chartered savings and loan
7 association, or a federally or state-chartered credit union in which the committee shall open and
8 thereafter maintain at least one official depository account in its own name. An "official depository
9 account" shall be a checking account or some type of negotiable draft or negotiable order of
10 withdrawal account, and the official fund depository shall, regarding an official depository account,
11 be a type of financial institution which provides a record of deposits, cancelled checks or other
12 cancelled instruments of withdrawal evidencing each transaction by maintaining copies within this
13 state of such instruments and other transactions. All contributions which the committee receives in
14 money, checks and other negotiable instruments shall be deposited in a committee's official
15 depository account. Contributions shall not be accepted and expenditures shall not be made by a
16 committee except by or through an official depository account and the committee treasurer, deputy
17 treasurer or candidate; however, a committee may utilize a credit card or debit card in the name of
18 the committee when authorized by the treasurer, deputy treasurer, or candidate, provided that all
19 expenditures made by the committee through a credit card are paid through the official depository
20 account. Contributions received by a committee shall not be commingled with any funds of an
21 agent of the committee, a candidate or any other person, except that contributions from a candidate
22 of the candidate's own funds to the person's candidate committee shall be deposited to an official
23 depository account of the person's candidate committee. No expenditure shall be made by a
24 committee when the office of committee treasurer is vacant except that when the office of a
25 candidate committee treasurer is vacant, the candidate shall be the treasurer until the candidate
26 appoints a new treasurer.

27 (2) A committee treasurer, deputy treasurer or candidate may withdraw funds from a
28 committee's official depository account and deposit such funds in one or more savings accounts in
29 the committee's name in any bank, savings and loan association or credit union within this state, and
30 may also withdraw funds from an official depository account for investment in the committee's
31 name in any certificate of deposit, bond or security. Proceeds from interest or dividends from a
32 savings account or other investment or proceeds from withdrawals from a savings account or from
33 the sale of an investment shall not be expended or reinvested, except in the case of renewals of
34 certificates of deposit, without first redepositing such proceeds in an official depository account.
35 Investments, other than savings accounts, held outside the committee's official depository account at
36 any time during a reporting period shall be disclosed by description, amount, any identifying
37 numbers and the name and address of any institution or person in which or through which it is held
38 in an attachment to disclosure reports the committee is required to file. Proceeds from an
39 investment such as interest or dividends or proceeds from its sale, shall be reported by date and

1 amount. In the case of the sale of an investment, the names and addresses of the persons involved in
 2 the transaction shall also be stated. Funds held in savings accounts and investments, including
 3 interest earned, shall be included in the report of money on hand as required by section 130.041.

4 (3) Notwithstanding any other provision of law to the contrary, funds held in candidate
 5 committees, campaign committees, debt service committees, and exploratory committees shall be
 6 liquid such that these funds shall be readily available for the specific and limited purposes allowed
 7 by law. These funds may be invested only in short-term treasury instruments or short-term bank
 8 certificates with durations of one year or less, or that allow the removal of funds at any time without
 9 any additional financial penalty other than the loss of interest income. Continuing committees,
 10 political party committees, and other committees such as out-of-state committees not formed for the
 11 benefit of any single candidate or ballot issue shall not be subject to the provisions of this
 12 subdivision. This subdivision shall not be interpreted to restrict the placement of funds in an
 13 interest-bearing checking account.

14 5. The treasurer or deputy treasurer acting on behalf of any person or organization or group
 15 of persons which is a committee by virtue of the definitions of committee in section 130.011 and
 16 any candidate who is not excluded from forming a committee in accordance with the provisions of
 17 section 130.016 shall file a statement of organization with the appropriate officer within twenty days
 18 after the person or organization becomes a committee but no later than the date for filing the first
 19 report required pursuant to the provisions of section 130.046. The statement of organization shall
 20 contain the following information:

21 (1) The name, mailing address and telephone number, if any, of the committee filing the
 22 statement of organization. If the committee is deemed to be affiliated with a connected organization
 23 as provided in subdivision (11) of section 130.011, the name of the connected organization, or a
 24 legally registered fictitious name which reasonably identifies the connected organization, shall
 25 appear in the name of the committee. If the committee is a candidate committee, the name of the
 26 candidate shall be a part of the committee's name;

27 (2) The name, mailing address and telephone number of the candidate;

28 (3) The name, mailing address and telephone number of the committee treasurer, and the
 29 name, mailing address and telephone number of its deputy treasurer if the committee has named a
 30 deputy treasurer;

31 (4) ~~The names, mailing addresses and titles of its officers, if any;~~

32 (5) The name and mailing address of any connected organizations with which the
 33 committee is affiliated;

34 (5) The names, mailing addresses and titles of its officers, if any;

35 (6) The name and mailing address of its depository, ~~[and]~~ the name and account number of
 36 each account the committee has in the depository, and the account number and issuer of any credit
 37 card in the committee's name. The account number of each account shall be redacted prior to
 38 disclosing the statement to the public;

1 (7) Identification of the major nature of the committee such as a candidate committee,
2 campaign committee, continuing committee, political party committee, incumbent committee, or
3 any other committee according to the definition of committee in section 130.011;

4 (8) In the case of the candidate committee designated in subsection 3 of this section, the full
5 name and address of each other candidate committee which is under the control and direction of the
6 same candidate, together with the name, address and telephone number of the treasurer of each such
7 other committee;

8 (9) The name and office sought of each candidate supported or opposed by the committee;

9 (10) The ballot measure concerned, if any, and whether the committee is in favor of or
10 opposed to such measure.

11 6. A committee may omit the information required in subdivisions (9) and (10) of
12 subsection 5 of this section if, on the date on which it is required to file a statement of organization,
13 the committee has not yet determined the particular candidates or particular ballot measures it will
14 support or oppose.

15 7. A committee which has filed a statement of organization and has not terminated shall not
16 be required to file another statement of organization, except that when there is a change in any of the
17 information previously reported as required by subdivisions (1) to (8) of subsection 5 of this section
18 an amended statement of organization shall be filed within twenty days after the change occurs, but
19 no later than the date of the filing of the next report required to be filed by that committee by section
20 130.046.

21 8. Upon termination of a committee, a termination statement indicating dissolution shall be
22 filed not later than ten days after the date of dissolution with the appropriate officer or officers with
23 whom the committee's statement of organization was filed. The termination statement shall include:
24 the distribution made of any remaining surplus funds and the disposition of any deficits; and the
25 name, mailing address and telephone number of the individual responsible for preserving the
26 committee's records and accounts as required in section 130.036.

27 9. Any statement required by this section shall be signed and attested by the committee
28 treasurer or deputy treasurer, and by the candidate in the case of a candidate committee.

29 10. A committee domiciled outside this state shall be required to file a statement of
30 organization and appoint a treasurer residing in this state and open an account in a depository within
31 this state; provided that either of the following conditions prevails:

32 (1) The aggregate of all contributions received from persons domiciled in this state exceeds
33 twenty percent in total dollar amount of all funds received by the committee in the preceding twelve
34 months; or

35 (2) The aggregate of all contributions and expenditures made to support or oppose
36 candidates and ballot measures in this state exceeds one thousand five hundred dollars in the current
37 calendar year.

38 11. If a committee domiciled in this state receives a contribution of one thousand five
39 hundred dollars or more from any committee domiciled outside of this state, the committee

1 domiciled in this state shall file a disclosure report with the commission. The report shall disclose
 2 the full name, mailing address, telephone numbers and domicile of the contributing committee and
 3 the date and amount of the contribution. The report shall be filed within forty-eight hours of the
 4 receipt of such contribution if the contribution is received after the last reporting date before the
 5 election.

6 12. Each legislative and senatorial district committee shall retain only one address in the
 7 district it sits for the purpose of receiving contributions.

8 130.031. 1. No contribution of cash in an amount of more than one hundred dollars shall be
 9 made by or accepted from any single contributor for any election by a continuing committee, a
 10 campaign committee, a political party committee, an exploratory committee or a candidate
 11 committee.

12 2. ~~[Except for expenditures from a petty cash fund which is established and maintained by~~
 13 ~~withdrawals of funds from the committee's depository account and with records maintained pursuant~~
 14 ~~to the record-keeping requirements of section 130.036 to account for expenditures made from petty~~
 15 ~~cash,]~~ Each expenditure of more than fifty dollars, except an in-kind expenditure, shall be made by
 16 check signed by the committee treasurer, deputy treasurer, or candidate or by other electronic means
 17 authorized by the treasurer, deputy treasurer, or candidate and drawn on the committee's depository
 18 ~~[and signed by the committee treasurer, deputy treasurer or candidate]~~ or credit card in the name of
 19 the committee and authorized by the treasurer, deputy treasurer, or candidate. A single expenditure
 20 ~~[from a petty]~~ of cash ~~[fund]~~ shall not exceed fifty dollars, and the aggregate of all expenditures
 21 ~~[from a petty]~~ of cash ~~[fund]~~ during a calendar year shall not exceed the lesser of five thousand
 22 dollars or ten percent of all expenditures made by the committee during that calendar year. ~~[A~~
 23 ~~check made payable to "cash" shall not be made except to replenish a petty cash fund.]~~

24 3. No contribution shall be made or accepted and no expenditure shall be made or incurred,
 25 directly or indirectly, in a fictitious name, in the name of another person, or by or through another
 26 person in such a manner as to conceal the identity of the actual source of the contribution or the
 27 actual recipient and purpose of the expenditure. Any person who receives contributions for a
 28 committee shall disclose to that committee's treasurer, deputy treasurer or candidate the recipient's
 29 own name and address and the name and address of the actual source of each contribution such
 30 person has received for that committee. Any person who makes expenditures for a committee shall
 31 disclose to that committee's treasurer, deputy treasurer or candidate such person's own name and
 32 address, the name and address of each person to whom an expenditure has been made and the
 33 amount and purpose of the expenditures the person has made for that committee.

34 4. No anonymous contribution of more than twenty-five dollars shall be made by any
 35 person, and no anonymous contribution of more than twenty-five dollars shall be accepted by any
 36 candidate or committee. If any anonymous contribution of more than twenty-five dollars is
 37 received, it shall be returned immediately to the contributor, if the contributor's identity can be
 38 ascertained, and if the contributor's identity cannot be ascertained, the candidate, committee

1 treasurer or deputy treasurer shall immediately transmit that portion of the contribution which
2 exceeds twenty-five dollars to the state treasurer and it shall escheat to the state.

3 5. The maximum aggregate amount of anonymous contributions which shall be accepted in
4 any calendar year by any committee shall be the greater of five hundred dollars or one percent of the
5 aggregate amount of all contributions received by that committee in the same calendar year. If any
6 anonymous contribution is received which causes the aggregate total of anonymous contributions to
7 exceed the foregoing limitation, it shall be returned immediately to the contributor, if the
8 contributor's identity can be ascertained, and, if the contributor's identity cannot be ascertained, the
9 committee treasurer, deputy treasurer or candidate shall immediately transmit the anonymous
10 contribution to the state treasurer to escheat to the state.

11 6. Notwithstanding the provisions of subsection 5 of this section, contributions from
12 individuals whose names and addresses cannot be ascertained which are received from a fund-
13 raising activity or event, such as defined in section 130.011, shall not be deemed anonymous
14 contributions, provided the following conditions are met:

15 (1) There are twenty-five or more contributing participants in the activity or event;

16 (2) The candidate, committee treasurer, deputy treasurer or the person responsible for
17 conducting the activity or event makes an announcement that it is illegal for anyone to make or
18 receive a contribution in excess of one hundred dollars unless the contribution is accompanied by
19 the name and address of the contributor;

20 (3) The person responsible for conducting the activity or event does not knowingly accept
21 payment from any single person of more than one hundred dollars unless the name and address of
22 the person making such payment is obtained and recorded pursuant to the record-keeping
23 requirements of section 130.036;

24 (4) A statement describing the event shall be prepared by the candidate or the treasurer of
25 the committee for whom the funds were raised or by the person responsible for conducting the
26 activity or event and attached to the disclosure report of contributions and expenditures required by
27 section 130.041. The following information to be listed in the statement is in addition to, not in lieu
28 of, the requirements elsewhere in this chapter relating to the recording and reporting of contributions
29 and expenditures:

30 (a) The name and mailing address of the person or persons responsible for conducting the
31 event or activity and the name and address of the candidate or committee for whom the funds were
32 raised;

33 (b) The date on which the event occurred;

34 (c) The name and address of the location where the event occurred and the approximate
35 number of participants in the event;

36 (d) A brief description of the type of event and the fund-raising methods used;

37 (e) The gross receipts from the event and a listing of the expenditures incident to the event;

1 (f) The total dollar amount of contributions received from the event from participants whose
2 names and addresses were not obtained with such contributions and an explanation of why it was
3 not possible to obtain the names and addresses of such participants;

4 (g) The total dollar amount of contributions received from contributing participants in the
5 event who are identified by name and address in the records required to be maintained pursuant to
6 section 130.036.

7 7. No candidate or committee in this state shall accept contributions from any out-of-state
8 committee unless the out-of-state committee from whom the contributions are received has filed a
9 statement of organization pursuant to section 130.021 or has filed the reports required by sections
10 130.049 and 130.050, whichever is applicable to that committee.

11 8. Any person publishing, circulating, or distributing any printed matter relative to any
12 candidate for public office or any ballot measure shall on the face of the printed matter identify in a
13 clear and conspicuous manner the person who paid for the printed matter with the words "Paid for
14 by" followed by the proper identification of the sponsor pursuant to this section. For the purposes of
15 this section, "printed matter" shall be defined to include any pamphlet, circular, handbill, sample
16 ballot, advertisement, including advertisements in any newspaper or other periodical, sign, including
17 signs for display on motor vehicles, or other imprinted or lettered material; but "printed matter" is
18 defined to exclude materials printed and purchased prior to May 20, 1982, if the candidate or
19 committee can document that delivery took place prior to May 20, 1982; any sign personally printed
20 and constructed by an individual without compensation from any other person and displayed at that
21 individual's place of residence or on that individual's personal motor vehicle; any items of personal
22 use given away or sold, such as campaign buttons, pins, pens, pencils, book matches, campaign
23 jewelry, or clothing, which is paid for by a candidate or committee which supports a candidate or
24 supports or opposes a ballot measure and which is obvious in its identification with a specific
25 candidate or committee and is reported as required by this chapter; and any news story, commentary,
26 or editorial printed by a regularly published newspaper or other periodical without charge to a
27 candidate, committee or any other person.

28 (1) In regard to any printed matter paid for by a candidate from the candidate's personal
29 funds, it shall be sufficient identification to print the first and last name by which the candidate is
30 known.

31 (2) In regard to any printed matter paid for by a committee, it shall be sufficient
32 identification to print the name of the committee as required to be registered by subsection 5 of
33 section 130.021 and the name and title of the committee treasurer who was serving when the printed
34 matter was paid for.

35 (3) In regard to any printed matter paid for by a corporation or other business entity, labor
36 organization, or any other organization not defined to be a committee by subdivision (7) of section
37 130.011 and not organized especially for influencing one or more elections, it shall be sufficient
38 identification to print the name of the entity, the name of the principal officer of the entity, by

1 whatever title known, and the mailing address of the entity, or if the entity has no mailing address,
2 the mailing address of the principal officer.

3 (4) In regard to any printed matter paid for by an individual or individuals, it shall be
4 sufficient identification to print the name of the individual or individuals and the respective mailing
5 address or addresses, except that if more than five individuals join in paying for printed matter it
6 shall be sufficient identification to print the words "For a list of other sponsors contact:" followed by
7 the name and address of one such individual responsible for causing the matter to be printed, and the
8 individual identified shall maintain a record of the names and amounts paid by other individuals and
9 shall make such record available for review upon the request of any person. No person shall accept
10 for publication or printing nor shall such work be completed until the printed matter is properly
11 identified as required by this subsection.

12 9. Any broadcast station transmitting any matter relative to any candidate for public office
13 or ballot measure as defined by this chapter shall identify the sponsor of such matter as required by
14 federal law.

15 10. The provisions of subsection 8 or 9 of this section shall not apply to candidates for
16 elective federal office, provided that persons causing matter to be printed or broadcast concerning
17 such candidacies shall comply with the requirements of federal law for identification of the sponsor
18 or sponsors.

19 11. It shall be a violation of this chapter for any person required to be identified as paying
20 for printed matter pursuant to subsection 8 of this section or paying for broadcast matter pursuant to
21 subsection 9 of this section to refuse to provide the information required or to purposely provide
22 false, misleading, or incomplete information.

23 12. It shall be a violation of this chapter for any committee to offer chances to win prizes or
24 money to persons to encourage such persons to endorse, send election material by mail, deliver
25 election material in person or contact persons at their homes; except that, the provisions of this
26 subsection shall not be construed to prohibit hiring and paying a campaign staff.

27 130.036. 1. The candidate, treasurer or deputy treasurer of a committee shall maintain
28 accurate records and accounts on a current basis. The records and accounts shall be maintained in
29 accordance with accepted normal bookkeeping procedures and shall contain the bills, receipts,
30 deposit records, cancelled checks, credit card statements, and records and other detailed information
31 necessary to prepare and substantiate any statement or report required to be filed pursuant to this
32 chapter. Every person who acts as an agent for a committee in receiving contributions, making
33 expenditures or incurring indebtedness for the committee shall, on request of that committee's
34 treasurer, deputy treasurer or candidate, but in any event within five days after any such action,
35 render to the candidate, committee treasurer or deputy treasurer a detailed account thereof, including
36 names, addresses, dates, exact amounts and any other details required by the candidate, treasurer or
37 deputy treasurer to comply with this chapter. Notwithstanding the provisions of subsection 4 of
38 section 130.021 prohibiting commingling of funds, an individual, trade or professional association,
39 business entity, or labor organization which acts as an agent for a committee in receiving

1 contributions may deposit contributions received on behalf of the committee to the agent's account
2 within a financial institution within this state, for purposes of facilitating transmittal of the
3 contributions to the candidate, committee treasurer or deputy treasurer. Such contributions shall not
4 be held in the agent's account for more than five days after the date the contribution was received by
5 the agent, and shall not be transferred to the account of any other agent or person, other than the
6 committee treasurer.

7 2. Unless a contribution is rejected by the candidate or committee and returned to the donor
8 or transmitted to the state treasurer within ten business days after its receipt, it shall be considered
9 received and accepted on the date received, notwithstanding the fact that it was not deposited by the
10 closing date of a reporting period.

11 3. Notwithstanding the provisions of section 130.041 that only contributors of more than
12 one hundred dollars shall be reported by name and address for all committees, the committee's
13 records shall contain a listing of each contribution received by the committee, including those
14 accepted and those which are rejected and either returned to the donor or transmitted to the state
15 treasurer. Each contribution, regardless of the amount, shall be recorded by date received, name and
16 address of the contributor and the amount of the contribution, except that any contributions from
17 unidentifiable persons which are received through fund-raising activities and events as permitted in
18 subsection 6 of section 130.031 shall be recorded to show the dates and amounts of all such
19 contributions received together with information contained in statements required by subsection 6 of
20 section 130.031. The procedure for recording contributions shall be of a type which enables the
21 candidate, committee treasurer or deputy treasurer to maintain a continuing total of all contributions
22 received from any one contributor.

23 4. ~~[Notwithstanding the provisions of section 130.041 that certain expenditures need not be~~
24 ~~identified in reports by name and address of the payee,]~~ The committee's records shall include a
25 listing of each expenditure made and each contract, promise or agreement to make an expenditure,
26 showing the date and amount of each transaction, the name and address of the person to whom the
27 expenditure was made or promised, and the purpose of each expenditure made or promised.

28 5. In the case of a committee which makes expenditures for both the support or opposition
29 of any candidate and the passage or defeat of a ballot measure, the committee treasurer shall
30 maintain records segregated according to each candidate or measure for which the expenditures
31 were made.

32 6. Records shall indicate which transactions, either contributions received or expenditures
33 made, were cash transactions or in-kind transactions.

34 7. Any candidate who, pursuant to section 130.016, is exempt from the requirements to form
35 a committee shall maintain records of each contribution received or expenditure made in support of
36 his candidacy. Any other person or combination of persons who, although not deemed to be a
37 committee according to the definition of the term "committee" in section 130.011, accepts
38 contributions or makes expenditures, other than direct contributions from the person's own funds,
39 for the purpose of supporting or opposing the election or defeat of any candidate or for the purpose

1 of supporting or opposing the qualifications, passage or defeat of any ballot measure shall maintain
 2 records of each contribution received or expenditure made. The records shall include name, address
 3 and amount pertaining to each contribution received or expenditure made and any bills, receipts,
 4 cancelled checks or other documents relating to each transaction.

5 8. All records and accounts of receipts and expenditures shall be preserved for at least three
 6 years after the date of the election to which the records pertain. Records and accounts regarding
 7 supplemental disclosure reports or reports not required pursuant to an election shall be preserved for
 8 at least three years after the date of the report to which the records pertain. Such records shall be
 9 available for inspection by the ~~[campaign finance review board]~~ Missouri ethics commission and its
 10 duly authorized representatives.

11 130.041. 1. Except as provided in subsection 5 of section 130.016, the candidate, if
 12 applicable, treasurer or deputy treasurer of every committee which is required to file a statement of
 13 organization, shall file a legibly printed or typed disclosure report of receipts and expenditures. The
 14 reports shall be filed with the appropriate officer designated in section 130.026 at the times and for
 15 the periods prescribed in section 130.046. Except as provided in sections 130.049 and 130.050,
 16 each report shall set forth:

17 (1) The full name, as required in the statement of organization pursuant to subsection 5 of
 18 section 130.021, and mailing address of the committee filing the report and the full name, mailing
 19 address and telephone number of the committee's treasurer and deputy treasurer if the committee has
 20 named a deputy treasurer;

21 (2) The amount of money, including cash on hand at the beginning of the reporting period;

22 (3) Receipts for the period, including:

23 (a) Total amount of all monetary contributions received which can be identified in the
 24 committee's records by name and address of each contributor. In addition, the candidate committee
 25 shall make a reasonable effort to obtain and report the employer, or occupation if self-employed or
 26 notation of retirement, of each person from whom the committee received one or more contributions
 27 which in the aggregate total in excess of one hundred dollars and shall make a reasonable effort to
 28 obtain and report a description of any contractual relationship over five hundred dollars between the
 29 contributor and the state if the candidate is seeking election to a state office or between the
 30 contributor and any political subdivision of the state if the candidate is seeking election to another
 31 political subdivision of the state;

32 (b) Total amount of all anonymous contributions accepted;

33 (c) Total amount of all monetary contributions received through fund-raising events or
 34 activities from participants whose names and addresses were not obtained with such contributions,
 35 with an attached statement or copy of the statement describing each fund-raising event as required in
 36 subsection 6 of section 130.031;

37 (d) Total dollar value of all in-kind contributions received;

38 (e) A separate listing by name and address and employer, or occupation if self-employed or
 39 notation of retirement, of each person from whom the committee received contributions, in money

1 or any other thing of value, aggregating more than one hundred dollars, together with the date and
2 amount of each such contribution;

3 (f) A listing of each loan received by name and address of the lender and date and amount of
4 the loan. For each loan of more than one hundred dollars, a separate statement shall be attached
5 setting forth the name and address of the lender and each person liable directly, indirectly or
6 contingently, and the date, amount and terms of the loan;

7 (4) Expenditures for the period, including:

8 (a) The total dollar amount of expenditures made by check drawn on the committee's
9 depository;

10 (b) The total dollar amount of expenditures made in cash;

11 (c) The total dollar value of all in-kind expenditures made;

12 (d) The total dollar amount of expenditures made via electronic means;

13 (e) The full name and mailing address of each person to whom an expenditure of money or
14 any other thing of value in the amount of more than one hundred dollars has been made, contracted
15 for or incurred, together with the date, amount and purpose of each expenditure. Expenditures of
16 one hundred dollars or less may be grouped and listed by categories of expenditure showing the total
17 dollar amount of expenditures in each category, except that the report shall contain an itemized
18 listing of each payment made to campaign workers by name, address, date, amount and purpose of
19 each payment and the aggregate amount paid to each such worker;

20 [(e)] (f) A list of each loan made, by name and mailing address of the person receiving the
21 loan, together with the amount, terms and date;

22 (5) The total amount of cash on hand as of the closing date of the reporting period covered,
23 including amounts in depository accounts and in petty cash fund;

24 (6) The total amount of outstanding indebtedness as of the closing date of the reporting
25 period covered;

26 (7) The amount of expenditures for or against a candidate or ballot measure during the
27 period covered and the cumulative amount of expenditures for or against that candidate or ballot
28 measure, with each candidate being listed by name, mailing address and office sought. For the
29 purpose of disclosure reports, expenditures made in support of more than one candidate or ballot
30 measure or both shall be apportioned reasonably among the candidates or ballot measure or both. In
31 apportioning expenditures to each candidate or ballot measure, political party committees and
32 continuing committees need not include expenditures for maintaining a permanent office, such as
33 expenditures for salaries of regular staff, office facilities and equipment or other expenditures not
34 designed to support or oppose any particular candidates or ballot measures; however, all such
35 expenditures shall be listed pursuant to subdivision (4) of this subsection;

36 (8) A separate listing by full name and address of any committee including a candidate
37 committee controlled by the same candidate for which a transfer of funds or a contribution in any
38 amount has been made during the reporting period, together with the date and amount of each such
39 transfer or contribution;

1 (9) A separate listing by full name and address of any committee, including a candidate
2 committee controlled by the same candidate from which a transfer of funds or a contribution in any
3 amount has been received during the reporting period, together with the date and amount of each
4 such transfer or contribution;

5 (10) Each committee that receives a contribution which is restricted or designated in whole
6 or in part by the contributor for transfer to a particular candidate, committee or other person shall
7 include a statement of the name and address of that contributor in the next disclosure report required
8 to be filed after receipt of such contribution, together with the date and amount of any such
9 contribution which was so restricted or designated by that contributor, together with the name of the
10 particular candidate or committee to whom such contribution was so designated or restricted by that
11 contributor and the date and amount of such contribution.

12 2. For the purpose of this section and any other section in this chapter except sections
13 130.049 and 130.050 which requires a listing of each contributor who has contributed a specified
14 amount, the aggregate amount shall be computed by adding all contributions received from any one
15 person during the following periods:

16 (1) In the case of a candidate committee, the period shall begin on the date on which the
17 candidate became a candidate according to the definition of the term "candidate" in section 130.011
18 and end at 11:59 p.m. on the day of the primary election, if the candidate has such an election or at
19 11:59 p.m. on the day of the general election. If the candidate has a general election held after a
20 primary election, the next aggregating period shall begin at 12:00 midnight on the day after the
21 primary election day and shall close at 11:59 p.m. on the day of the general election. Except that for
22 contributions received during the thirty-day period immediately following a primary election, the
23 candidate shall designate whether such contribution is received as a primary election contribution or
24 a general election contribution;

25 (2) In the case of a campaign committee, the period shall begin on the date the committee
26 received its first contribution and end on the closing date for the period for which the report or
27 statement is required;

28 (3) In the case of a political party committee or a continuing committee, the period shall
29 begin on the first day of January of the year in which the report or statement is being filed and end
30 on the closing date for the period for which the report or statement is required; except, if the report
31 or statement is required to be filed prior to the first day of July in any given year, the period shall
32 begin on the first day of July of the preceding year.

33 3. The disclosure report shall be signed and attested by the committee treasurer or deputy
34 treasurer and by the candidate in case of a candidate committee.

35 4. The words "consulting or consulting services, fees, or expenses", or similar words, shall
36 not be used to describe the purpose of a payment as required in this section. The reporting of any
37 payment to such an independent contractor shall be on a form supplied by the appropriate officer,
38 established by the ethics commission and shall include identification of the specific service or
39 services provided including, but not limited to, public opinion polling, research on issues or

opposition background, print or broadcast media production, print or broadcast media purchase, computer programming or data entry, direct mail production, postage, rent, utilities, phone solicitation, or fund raising, and the dollar amount prorated for each service.

170.281. 1. As used in this section, "personal finance" means a course consisting of financial literacy and up-to-date tools, resources, and discipline necessary to succeed in a personal and professional capacity in the current economy; personal finance may include courses offered in vocational or technical curricula.

2. The department of elementary and secondary education shall convene a work group to develop and recommend academic performance standards relating to the one-half unit of credit of personal finance required by the state board of education. The work group shall include, but not be limited to, educators providing instruction in personal finance, a representative from the Missouri Association of Career and Technical Education, and representatives from the department of elementary and secondary education, banking industry, entrepreneurs, and nonprofit organizations that focus on educating young professionals and entrepreneurs.

3. The state board of education shall adopt and implement academic performance standards relating to personal finance for the 2024-25 school year and all subsequent school years, except that academic performance standards relating to personal finance shall be reviewed every seven years to determine if the performance standards need to be updated to reflect trends and best practices in the current economy.

4. (1) For the 2024-25 school year and all subsequent school years, each school district shall require that after the completion of grade nine each student satisfactorily completes such one-half unit of credit of personal finance before receiving a high school diploma or certificate of graduation.

(2) A school district may elect to waive the requirements of subdivision (1) of this subsection for a student who transfers from outside the state to a Missouri high school if the student can furnish documentation deemed acceptable by the school district of the student's successful completion of a substantially similar course of instruction.

(3) A school district may allow a student in grade nine to complete such one-half unit of credit of personal finance if, on the recommendation of a school counselor, completing such one-half unit of credit of personal finance is beneficial and appropriate for such student's personal plan of study or career academic plan.

5. The requirements of section 160.514 shall not apply to this section.

361.020. 1. The division of finance shall have charge of the execution of:

(1) The laws relating to banks, trust companies, and the banking business of this state; [credit unions; and of]

(2) The laws relating to persons[~~, copartnerships and corporations~~] or entities engaged in the small loan or consumer credit business in this state;

(3) The laws relating to persons and entities engaged in the mortgage loan business in this state; and

1 (4) The laws relating to persons and entities engaged in any other financial-services-related
2 business over which the division of finance is granted express authority.

3 2. The director of finance may institute, in the name of the state of Missouri, and defend
4 suits in the courts of this state and the United States.

5 361.098. 1. The members of the state banking and savings and loan board shall receive as
6 compensation for their services the sum of one hundred dollars per day while discharging their
7 duties[;] and shall be entitled to receive their necessary traveling and other expenses incurred while
8 actually engaged in the performance of their duties as such members, which shall be paid out of the
9 division of finance fund.

10 2. ~~[A majority of the]~~ Any three members of the board shall constitute a quorum for the
11 transaction of any business, for the performance of any duty, or for the exercise of any power of the
12 board.

13 3. The board may meet and exercise its powers in any place in this state and shall meet at
14 any time upon the call of its chairman or of the director of the division of finance or of any two
15 members of the board.

16 4. The board shall have an official seal bearing the inscription, "State Banking and Savings
17 and Loan Board of the State of Missouri", which shall be judicially noticed.

18 5. The division of finance may provide administrative services to the board to assist the
19 board with fulfilling its statutory responsibilities.

20 361.106. 1. As used in this section, the following terms mean:

21 (1) "Bulletin", an informal written communication to inform or educate individuals or
22 entities licensed, chartered, or regulated by the division of finance and the general public about a
23 regulatory topic or issue. A "bulletin" is informational in nature and is not an evaluation of specific
24 facts and circumstances;

25 (2) "Industry letter", a written communication from the director of finance in response to a
26 specific individual or entity chartered, licensed, or regulated by the division of finance that provides
27 the position of the division of finance on a particular regulatory topic or issue with respect to a
28 specific set of facts and circumstances.

29 2. Notwithstanding any law to the contrary, the director of finance may at his or her
30 discretion issue bulletins addressing the business of the individuals and entities licensed, chartered,
31 or regulated by the division in this state. Bulletins shall not have the force or effect of law and shall
32 not be considered statements of general applicability that would require promulgation by rule.

33 3. Notwithstanding any law to the contrary, the director of finance may at his or her
34 discretion issue industry letters in response to a written request from an individual or entity licensed,
35 chartered, or regulated by the division that seeks the position of the division of finance on the
36 application of law. In addition to any materials or information requested by the division, the written
37 request for an industry letter shall include:

38 (1) A brief summary of the applicable laws and rules that pertain to the request;

1 (2) A detailed statement of facts regarding every relevant aspect of the proposed business
 2 activity, transaction, event, or circumstance;

3 (3) A discussion of current statutes, rules, and legal principles relevant to the facts set forth;

4 (4) A statement by the person or entity requesting the industry letter of the person's own
 5 opinion regarding the matter and the basis for such opinion; and

6 (5) A statement that the proposed business activity or transaction has not commenced or, if
 7 it has commenced, the present status of the proposed business activity or transaction.

8 4. With respect to the requesting person or entity, an industry letter is binding on the
 9 division. The requesting person or entity shall not be subject to any administrative proceeding or
 10 penalty for any acts or omissions done in reliance on an industry letter, so long as no change in any
 11 material fact or law has occurred and so long as the requesting person or entity did not misrepresent
 12 or omit a material fact.

13 5. An industry letter request and response shall be confidential, but the director may publish
 14 an industry letter with nonidentifying facts and information from the request.

15 6. After redacting all identifying information, the director may publish industry letters for
 16 informational purposes. Because the division may have a different position in response to similar
 17 but nonidentical facts and circumstances, published industry letters shall not have the force or effect
 18 of law, shall not be binding on the division, and shall not be considered statements of general
 19 applicability that would require promulgation by rule.

20 7. Industry letters issued under this section are distinct from letters issued by the director
 21 under subsection 5 of section 362.106, and this section shall not apply to section 362.106.

22 361.160. 1. The director of finance at least once each year, either personally or by a deputy
 23 or examiner appointed by the director, shall visit and examine every bank and trust company
 24 organized and doing business under the laws of this state, and every other corporation which is by
 25 law required to report to the director; except, for banks or trust companies receiving a
 26 Camel/MOECA 1 or Camel/MOECA 2 rating from the division of finance, the director of finance at
 27 least once each eighteen calendar months, or for a private trust company at least once each thirty-six
 28 months, either personally or by a deputy or examiner appointed by the director, shall visit and
 29 examine such bank or trust company, and the director of finance, at the director's discretion, may
 30 conduct the director's examination, or any part thereof, on the basis of information contained in
 31 examination reports of other states, the Federal Deposit Insurance Corporation or the Federal
 32 Reserve Board or in audits performed by certified public accountants. For purposes of this
 33 subsection, a private trust company is one that does not engage in trust company business with the
 34 general public or otherwise hold itself out as a trustee or fiduciary for hire by advertising,
 35 solicitation, or other means and instead operates for the primary benefit of a family, relative of same
 36 family, or single family lineage, regardless of whether compensation is received or anticipated. The
 37 director shall be afforded prompt and free access to any workpapers upon which a certified public
 38 accountant bases an audit. A certified public accountant shall retain workpapers for a minimum of
 39 three years after the date of issuance of the certified public accountant's report to the bank or trust

1 company. The director or the director's agent may concentrate the examinations on institutions
2 which the director believes have safety or soundness concerns.

3 2. The director, or the deputy or examiners designated by the director for that purpose, shall
4 have power to examine any such corporation whenever, in the director's judgment, it may be
5 deemed necessary or expedient, and shall have power to examine every agency located in this state
6 of any foreign banking corporation and every branch in this state of any out-of-state bank, for the
7 purpose of ascertaining whether it has violated any law of this state, and for such other purposes and
8 as to such other matters as the director may prescribe.

9 3. The director and the director's deputy and examiners shall have power to administer oaths
10 to any person whose testimony may be required in such examination or investigation of any such
11 corporation or agency, and to compel the appearance and attendance of any person for the purpose
12 of any such examination or investigation.

13 4. On every such examination inquiry shall be made as to the condition and resources of
14 such corporation, the mode of conducting and managing its affairs, the actions of its directors or
15 trustees, the investment of its funds, the safety and prudence of its management, the security
16 afforded to its creditors, and whether the requirements of its charter and of law have been complied
17 with in the administration of its affairs, and as to such other matters as the director may prescribe.

18 5. The director may also make such special investigations as the director deems necessary to
19 determine whether any individual or corporation has violated any of the provisions of this law.

20 6. Such examination may be made and such inquiry instituted or continued in the discretion
21 of the director after the director has taken possession of the property and business of any such
22 corporation, until it shall resume business or its affairs shall be finally liquidated in accordance with
23 the provisions of this chapter.

24 7. The result of each examination shall be certified by the director or the examiner upon the
25 records of the corporation examined ~~[and the result of all examinations during the biennial period~~
26 ~~shall be embodied in the report to be made by the director of the department of commerce and~~
27 ~~insurance to the legislature].~~

28 8. The director may contract with regulators in other states to provide for the examination of
29 Missouri branches of out-of-state banks and branches of banks whose home state is Missouri. The
30 agreements may provide for the payment by the home state of the cost of examinations conducted
31 by the host state at the request of the home state regulators.

32 361.260. 1. Whenever the director shall have reason to believe that the capital stock of any
33 corporation subject to the provisions of this chapter is reduced by impairment or otherwise, below
34 the amount required by law, or by its certificates or articles of agreement, ~~[he]~~ the director shall
35 issue a notice of charges in respect thereof.

36 2. Whenever ~~[it shall appear to]~~ the director has reason to believe, from any examination or
37 investigation made by ~~[him]~~ the director or his or her examiners, that any corporation subject to the
38 provisions of this chapter, or any director, officer, employee, agent, or other person participating in
39 the conduct of the affairs of such corporation, or any foreign corporation licensed by the director to

do business under this chapter or chapter 362 is engaging in ~~[or]~~, has engaged in, or ~~[there is reasonable cause to believe that the corporation or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such corporation]~~ is about to engage in~~[-]~~;

(1) An unsafe or unsound practice in conducting the business of such corporation ~~[or is violating or has violated, or there is reasonable cause to believe that the corporation or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such corporation is about to violate]~~;

(2) A violation of law, rule, or director-imposed written condition ~~[imposed, in writing, by the director in connection with the granting of any application or other request by the corporation or]~~;

(3) A violation of any written agreement entered into with the director~~[-]~~; or

(4) A violation of the corporation's charter,

the director may issue and serve upon the corporation or such director, officer, employee, agent, or other person a notice of charges in respect thereof.

3. Whenever it shall appear to the director that any corporation subject to the provisions of this chapter does not keep its books and accounts in such manner as to enable him or her readily to ascertain its true condition or that wrong entries or unlawful uses of the funds of the corporation have been made, the director may issue and serve upon the corporation or any appropriate director, officer, employee, agent, or other person a notice of charges in respect thereof.

4. The notice of charges shall contain a statement of the facts constituting the deficiencies, ~~[the]~~ alleged violation or violations, improper use of funds, or ~~[the]~~ unsafe or unsound practice or practices~~[-]~~ and shall fix a time and place at which a contested hearing will be held to determine whether an order to cease and desist therefrom should ~~[issue]~~ be issued against the corporation or the director, officer, employee, agent, or other person participating in the conduct of the affairs of such corporation.

5. In the event the party or parties so served shall fail to appear at the hearing, or shall consent to the cease and desist order, or in the event the director shall find that the fact of any deficiency, violation, unsafe or unsound practice, inadequate recordkeeping, or improper use of funds specified has been established, the director may issue and serve upon the corporation or the director, officer, employee, agent, or other person participating in the conduct of the affairs of the corporation an order to cease and desist from the actions, violations, or practices charged.

6. The cease and desist order:

(1) May require the corporation or its directors, officers, employees, agents, and other persons participating in the conduct of the affairs of such corporation to cease and desist from ~~[same and, further,]~~ such actions, violations, or practices;

(2) May require the corporation or its directors, officers, employees, agents, and other persons participating in the conduct of the affairs of such corporation to take affirmative action to correct the conditions resulting from any such actions, violations, or practices[-];

1 (3) Shall require that, if the director determines that the capital of the corporation is
 2 impaired, ~~[the order shall require that]~~ the corporation make good the deficiency forthwith or within
 3 a time specified in the order~~[-];~~

4 (4) May, if the director determines that the corporation does not keep adequate records, ~~[the~~
 5 ~~order may]~~ determine and prescribe such books of account as the director, in his or her discretion,
 6 shall require of the corporation for the purpose of keeping accurate and convenient records of the
 7 transactions and accounts~~[-]; and~~

8 (5) Shall, if the director ~~[shall determine]~~ determines that wrong entries or unlawful uses of
 9 the funds of the corporation have been made, ~~[he shall]~~ order that the entries shall be corrected~~[-]~~
 10 and that the sums unlawfully paid out be restored by the person or persons responsible for the
 11 wrongful or illegal payment thereof.

12 ~~[6-]~~ 7. If a notice of charges served under this section specifies, on the basis of particular
 13 facts and circumstances, that a corporation's books and records are so incomplete or inaccurate that
 14 the director is unable, through the normal supervisory process, to determine the financial condition
 15 of that corporation or the details or purpose of any transaction or transactions that may have a
 16 material effect on the financial condition of that corporation, the director may issue a temporary
 17 order requiring the cessation of any activity or practice which gave rise, whether in whole or in part,
 18 to the incomplete or inaccurate state of the books or records, or affirmative action to restore such
 19 books or records to a complete and accurate state, until the completion of the proceedings under this
 20 section. Any temporary order issued under this subsection shall become effective upon service and,
 21 unless set aside, limited or suspended by a court, shall remain in effect and enforceable until the
 22 earlier of the completion of the proceedings initiated under this section or the date on which the
 23 director determines by examination or otherwise that the corporation's books and records are
 24 accurate and reflect the financial condition of the corporation.

25 ~~[7-]~~ 8. Whenever it shall appear to the director that the violation or threatened violation or
 26 the unsafe or unsound practice or practices specified in the notice of charges served upon the
 27 corporation or any director, officer, employee, agent, or other person participating in the conduct of
 28 the affairs of such corporation pursuant to subsection 4 of this section, or the continuation thereof, is
 29 likely to cause insolvency or significant dissipation of assets or earnings of the corporation, or is
 30 likely to weaken the condition of the corporation or otherwise prejudice the interests of its
 31 depositors prior to the completion of the proceedings conducted pursuant to said subsection, the
 32 director may issue a temporary order, effective immediately, requiring the corporation or such
 33 director, officer, employee, agent, or other person to cease and desist from any such violation or
 34 practice and to take affirmative action to prevent such insolvency, dissipation, condition, or
 35 prejudice pending completion of such proceedings. Such order shall remain effective and
 36 enforceable pending the completion of the administrative proceedings pursuant to such notice and
 37 until such time as the director shall dismiss the charges specified in such notice or if a cease and
 38 desist order is issued against the corporation or such director, officer, employee, agent, or other
 39 person, until the effective date of such order. The corporation, director, officer, employee, agent, or

other person may, within ten days after having been served with a temporary cease and desist order, apply to the circuit court of Cole County for an order setting aside, limiting, or suspending the enforcement, operation, or effectiveness of such order.

~~[8:]~~ 9. If any corporation, or any director, officer, employee, agent, or other person participating in the conduct of the affairs of such corporation shall fail or refuse to comply with any duly issued order provided for in this chapter and chapter 362, the corporation or such director, officer, employee, agent, or other person shall pay a civil penalty of not more than one thousand dollars per day for each day the failure or refusal shall continue. The penalty shall be assessed and collected by the director of the division. In determining the amount of the penalty, the director shall take into account the appropriateness of the penalty with respect to the size of the financial resources and good faith of the corporation or person charged, the gravity of the violation, the history of previous violations, and such other matters as justice may require. In addition to the penalty, the director may, in his or her discretion, report the delinquency to the attorney general, with a request that ~~[he]~~ the attorney general proceed as provided in section 361.270, and in the event of such request, the attorney general shall proceed.

361.262. 1. Whenever it shall appear to the director, from any examination or investigation made by ~~[him]~~ the director or ~~[his]~~ the director's examiners, that:

(1) Any director, officer, or any other person participating in the conduct of the affairs of a corporation subject to this chapter has ~~[committed any violation of]~~:

(a) Violated a law or regulation ~~[or of]~~;

(b) Violated a cease and desist order~~[-or has violated]~~;

(c) Violated any director-imposed written condition ~~[imposed in writing by the director]~~ in connection with the grant of any application or other request by such corporation ~~[or]~~;

(d) Violated any written agreement between such corporation and the director~~[-or has]~~;

(e) Engaged or participated in any unsafe or unsound practice in connection with the corporation~~[-or has]~~; or

(f) Committed or engaged in any act, omission, or practice ~~[which]~~ that constitutes a breach of his or her fiduciary duty to the corporation~~[s]~~; and

(2) The director determines that:

(a) The corporation has suffered or will probably suffer financial loss or other damage ~~[or that]~~;

(b) The interests of its depositors, beneficiaries, or other customers could be prejudiced by reason of such violation or practice or breach of fiduciary duty~~[s]~~; or ~~[that]~~

(c) The director ~~[or]~~, officer, or other person has received financial gain by reason of ~~[such]~~ his or her violation or practice or breach of fiduciary duty~~[s]~~; and

(3) The director determines that such violation or practice or breach of fiduciary duty is:

(a) One involving personal dishonesty on the part of such director, officer, or other person~~[s]~~; or

1 (b) One ~~[which]~~ that demonstrates a willful or continuing disregard for the safety or
2 soundness of the corporation,

3
4 the director may serve upon such director, officer, or other person a written notice of ~~[his]~~ the
5 director's intention to remove him or her from office.

6 2. ~~[When]~~ If it [shall appear] appears to the director, from any examination ~~[made by him or~~
7 ~~his examiners]~~ or investigation, that the conduct or practice of any director or officer of a
8 corporation subject to this chapter, ~~[by conduct or practice]~~ with respect to ~~[another]~~ such
9 corporation or ~~[any]~~ other corporation or business institution ~~[which]~~:

10 (1) Resulted in financial loss or other damage~~[-has]~~;

11 (2) Evidenced either ~~[his]~~:

12 (a) Personal dishonesty; or

13 (b) A willful or continuing disregard for ~~[its]~~ the corporation's safety and soundness; and~~[-in~~
14 ~~addition, has]~~

15 (3) Evidenced his or her unfitness to continue as a director or officer ~~[and whenever it shall~~
16 ~~appear to the director that any other person participating in the conduct of the affairs of a~~
17 ~~corporation subject to this chapter, by conduct or practice with respect to such corporation or other~~
18 ~~corporation or other business institution which resulted in financial loss or other damage, has~~
19 ~~evidenced either his personal dishonesty or willful or continuing disregard for its safety and~~
20 ~~soundness and, in addition, has evidenced his unfitness to participate in the conduct of the affairs of~~
21 ~~such corporation]~~,

22
23 then the director may serve upon such director~~[-]~~ or officer~~[-or other person]~~ a written notice of
24 intention to remove him or her from office or to prohibit his or her further participation in any
25 manner in the conduct of the affairs of the corporation or from any other banking, savings, or trust
26 institution supervised by the director.

27 3. If it appears to the director, from any examination or investigation, that the conduct or
28 practice of any person participating in the affairs of a corporation subject to this chapter, with
29 respect to the corporation or other corporation or business institution:

30 (1) Resulted in financial loss or other damage;

31 (2) Evidenced either:

32 (a) Personal dishonesty; or

33 (b) A willful or continuing disregard for safety and sound practices; and

34 (3) Evidenced the person's unfitness to participate in the affairs of the corporation,

35
36 then the director may serve upon such person a written notice of intention to remove him or her
37 from office or to prohibit him or her from any further participation in the affairs of the corporation
38 or of any other banking, savings, or trust institution supervised by the director.

1 ~~[3-]~~ 4. Whenever it shall appear to the director to be necessary for the protection of any
 2 corporation or its depositors, ~~[he]~~ beneficiaries, or other customers, the director may, by written
 3 notice to such effect served upon any director, officer, or other person referred to in subsection 1, 2,
 4 or ~~[2]~~ 3 of this section, suspend him or her from office or prohibit him or her from further
 5 participation in any manner in the conduct of the affairs of the corporation. Such suspension or
 6 prohibition shall become effective upon service of such notice and shall remain in effect pending the
 7 completion of the administrative proceedings pursuant to the notice served under subsection 1, 2, or
 8 ~~[2]~~ 3 of this section and until such time as the director shall dismiss the charges specified in such
 9 notice or, if an order of removal or prohibition is issued against the director or officer or other
 10 person, until the effective date of any such order. Copies of any such notice shall also be served
 11 upon the corporation of which he or she is a director or officer or in the conduct of whose affairs he
 12 or she has participated.

13 ~~[4-]~~ 5. Except as provided in subsection ~~[5]~~ 6 of this section, any person who, pursuant to an
 14 order issued under this section, has been removed or suspended from office in a corporation or
 15 prohibited from participating in the conduct of the affairs of a corporation may not, while such order
 16 is in effect, continue or commence to hold any office in, or participate in any manner in, the conduct
 17 of the affairs of any other corporation subject to the provisions of this chapter.

18 ~~[5-]~~ 6. If, on or after the date an order is issued under this section ~~[which]~~ that removes or
 19 suspends from office any person or prohibits such person from participating in the conduct of the
 20 affairs of a corporation~~],~~ and such party receives the written consent of the director, subsection ~~[4]~~ 5
 21 of this section shall, to the extent of such consent, cease to apply to such person with respect to the
 22 ~~[corporation]~~ terms and conditions described in the written consent and the director shall publicly
 23 disclose such consent. Any violation of subsection ~~[4]~~ 5 of this section by any person who is subject
 24 to an order described in such subsection shall be treated as a violation of the order.

25 361.715. 1. Upon the filing of the application, the filing of a certified audit, the payment of
 26 the investigation fee and the approval by the director of the necessary bond, the director shall cause,
 27 investigate, and determine whether the character, responsibility, and general fitness of the principals
 28 of the applicant or any affiliates are such as to command confidence and warrant belief that the
 29 business of the applicant will be conducted honestly and efficiently and that the applicant is in
 30 compliance with all other applicable state and federal laws. If satisfied, the director shall issue to
 31 the applicant a license pursuant to the provisions of sections 361.700 to 361.727. In processing a
 32 renewal license, the director shall require the same information and follow the same procedures
 33 described in this subsection.

34 2. Each licensee shall pay to the director before the issuance of the license, and annually
 35 thereafter on or before April fifteenth of each year, a license fee of ~~[three]~~ four hundred dollars.

36 3. The director may assess a reasonable charge, not to exceed ~~[three]~~ four hundred dollars,
 37 for any application to amend and reissue an existing license.

38 361.749. 1. As used in this section, unless the context clearly indicates otherwise, the
 39 following terms mean:

1 (1) "Commissioner", the commissioner of the division of finance;

2 (2) "Consumer", any individual;

3 (3) "Consumer-directed wage access services", the business of offering or providing earned
4 wage access services directly to a consumer based on the consumer's representation and the
5 provider's reasonable determination of the consumer's earned but unpaid income;

6 (4) "Division", the Missouri division of finance within the department of commerce and
7 insurance;

8 (5) "Earned but unpaid income", salary, wages, compensation, or other income that a
9 consumer or an employer has represented, and that a provider has reasonably determined, has been
10 earned or has accrued to the benefit of the consumer in exchange for the consumer's provision of
11 services to the employer or on behalf of the employer, including on an hourly, project-based,
12 piecework, or other basis and including where the consumer is acting as an independent contractor
13 of the employer, but has not, at the time of the payment of proceeds, been paid to the consumer by
14 the employer;

15 (6) "Earned wage access services", the business of providing consumer-directed wage
16 access services, employer-integrated wage access services, or both;

17 (7) "Employer":

18 (a) A person who employs a consumer; or

19 (b) Any other person who is contractually obligated to pay a consumer earned but unpaid
20 income in exchange for a consumer's provision of services to the employer or on behalf of the
21 employer, including on an hourly, project-based, piecework, or other basis and including where the
22 consumer is acting as an independent contractor with respect to the employer.

23
24 "Employer" does not include a customer of an employer or any other person whose obligation to
25 make a payment of salary, wages, compensation, or other income to a consumer is not based on the
26 provision of services by that consumer for or on behalf of such person;

27 (8) "Employer-integrated wage access services", the business of delivering to consumers
28 access to earned but unpaid income that is based on employment, income, and attendance data
29 obtained directly or indirectly from an employer;

30 (9) "Fee":

31 (a) A fee imposed by a provider for delivery or expedited delivery of proceeds to a
32 consumer;

33 (b) A subscription or membership fee imposed by a provider for a bona fide group of
34 services that includes earned wage access services; or

35 (c) An amount paid by an employer to a provider on a consumer's behalf, which entitles the
36 consumer to receive proceeds at reduced or no cost to the consumer.

37
38 A voluntary tip, gratuity, or donation shall not be deemed a fee;

1 (10) "Outstanding proceeds", a payment of proceeds to a consumer by a provider that has
2 not yet been repaid to that provider;

3 (11) "Person", a partnership, corporation, association, sole proprietorship, limited liability
4 company, or nonprofit or governmental entity;

5 (12) "Proceeds", a payment of funds to a consumer by a provider that is based on earned but
6 unpaid income;

7 (13) "Provider", a person who is in the business of offering and providing earned wage
8 access services to consumers.

9 2. (1) No person shall engage in the business of earned wage access services in this state
10 without first registering as an earned wage access services provider with the division.

11 (2) The annual registration fee shall be one thousand dollars payable to the division as of the
12 first day of July of each year. The division may establish a biennial registration arrangement, but in
13 no case shall the registration fee be payable for more than one year at a time.

14 (3) Registration shall be made on forms prepared by the commissioner and shall contain the
15 following information:

16 (a) Name, business address, and telephone number of the earned wage access services
17 provider;

18 (b) Name and business address of corporate officers and directors or principals or partners;

19 (c) A sworn statement by an appropriate officer, principal, or partner of the earned wage
20 access services provider that:

21 a. The provider is financially capable of engaging in the business of earned wage access
22 services; and

23 b. If a corporation, that the corporation is authorized to transact business in this state.

24
25 If any material change occurs in the information contained in the registration form, a revised
26 statement shall be submitted to the commissioner.

27 (4) A certificate of registration shall be issued by the commissioner within thirty calendar
28 days after the date on which all registration materials have been received by the commissioner and
29 shall not be assignable or transferable, except as approved by the commissioner.

30 (5) Each certificate of registration shall remain in full force and effect until surrendered,
31 revoked, or suspended.

32 3. This section shall not apply to:

33 (1) A bank or savings and loan association whose deposits or accounts are eligible for
34 insurance by the Federal Deposit Insurance Corporation, or a subsidiary of such a bank or savings
35 and loan association;

36 (2) A credit union doing business in this state; or

37 (3) A person authorized to make loans or extensions of credit under the laws of this state or
38 the United States, who is subject to regulation and supervision by this state or the United States.

39 4. Each provider shall:

1 (1) Develop and implement policies and procedures to respond to questions raised by
2 consumers and address complaints from consumers in an expedient manner;

3 (2) Before entering into an agreement with a consumer for the provision of earned wage
4 access services, provide a consumer with a written paper or electronic document, which can be
5 included as part of the contract to provide earned wage access services and which meets all of the
6 following requirements:

7 (a) Informs the consumer of his or her rights under the agreement; and

8 (b) Fully and clearly discloses all fees associated with the earned wage access services;

9 (3) Inform the consumer of the fact of any material changes to the terms and conditions of
10 the earned wage access services before implementing those changes for that consumer;

11 (4) Provide proceeds to a consumer by any means mutually agreed upon by the consumer
12 and provider;

13 (5) Comply with all local, state, and federal privacy and information security laws;

14 (6) In any case in which the provider will seek repayment of outstanding proceeds, fees, or
15 other payments, including voluntary tips, gratuities, or other donations from a consumer's account at
16 a depository institution and including via electronic funds transfer:

17 (a) Comply with applicable provisions of the federal Electronic Funds Transfer Act and its
18 implementing regulations; and

19 (b) Reimburse the consumer for the full amount of any overdraft or nonsufficient funds fees
20 imposed on a consumer by the consumer's depository institution that were caused by the provider
21 attempting to seek payment of any outstanding proceeds, fees, voluntary tips, gratuities, or other
22 donations on a date before, or in an incorrect amount from, the date or amount disclosed to the
23 consumer.

24
25 The provisions of this subdivision shall not apply with respect to payments of outstanding proceeds,
26 fees, tips, gratuities, or other donations incurred by a consumer through fraudulent or other means;
27 and

28 (7) If a provider solicits, charges, or receives a tip, gratuity, or donation from a consumer:

29 (a) Clearly and conspicuously disclose to the consumer immediately prior to each
30 transaction that a tip, gratuity, or donation amount may be zero and is voluntary;

31 (b) Clearly and conspicuously disclose in its service contract with the consumer and
32 elsewhere that tips, gratuities, or donations are voluntary and that the offering of earned wage access
33 services, including the amount of the proceeds a consumer is eligible to request and the frequency
34 with which proceeds are provided to a consumer, is not contingent on whether the consumer pays
35 any tip, gratuity, or donation or on the size of any tip, gratuity, or donation;

36 (c) Refrain from misleading or deceiving consumers about the voluntary nature of such tips,
37 gratuities, or donations; and

38 (d) Refrain from making representations that tips or gratuities will benefit any specific,
39 individual person.

1 5. A provider shall not:

2 (1) Share with an employer any fees, voluntary tips, gratuities, or other donations that were
3 received from or charged to a consumer for earned wage access services;

4 (2) Charge interest for failure to repay outstanding proceeds, fees, voluntary tips, gratuities,
5 or other donations;

6 (3) Report any information about the consumer regarding the inability of the provider to be
7 repaid outstanding proceeds, fees, voluntary tips, gratuities, or other donations to a consumer credit
8 reporting agency or a debt collector;

9 (4) Require a consumer's credit report or credit score to determine a consumer's eligibility
10 for earned wage access services;

11 (5) Accept payment from a consumer of outstanding proceeds, fees, voluntary tips,
12 gratuities, or other donations via credit card or charge card; or

13 (6) Compel or attempt to compel repayment by a consumer of outstanding proceeds, fees,
14 voluntary tips, gratuities, or other donations through any of the following means:

15 (a) A suit against the consumer in a court of competent jurisdiction;

16 (b) Use of a third party to pursue collection from the consumer on the provider's behalf; or

17 (c) Sale of outstanding amounts to a third-party collector or debt buyer for collection from
18 the consumer.

19
20 The provisions of this subdivision shall not apply to payments of outstanding proceeds, fees, tips,
21 gratuities, or other donations incurred by a consumer through fraudulent or other means or preclude
22 a provider from pursuing an employer for breach of its contractual obligations to the provider.

23 6. For purposes of the laws of this state:

24 (1) Earned wage access services offered and provided by a registered provider shall not be
25 considered to be any of the following:

26 (a) A violation of or noncompliance with the laws governing the sale or assignment of or an
27 order for earned but unpaid income;

28 (b) A loan or other form of credit, and the provider shall not be considered a creditor or a
29 lender;

30 (c) Money transmission, and the provider shall not be considered a money transmitter;

31 (2) Fees, voluntary tips, gratuities, or other donations shall not be considered interest or
32 finance charges.

33 7. The commissioner, or his or her duly authorized representative, may make such
34 investigation as is deemed necessary and, to the extent necessary for this purpose, may examine the
35 registrant or any other person having personal knowledge of the matters under investigation, and
36 shall have the power to compel the production of all relevant books, records, accounts, and
37 documents by registrants.

1 8. (1) An earned wage access services provider shall maintain records of its earned wage
2 access services transactions and shall preserve its records for at least two years after the final date on
3 which it provides proceeds to a consumer.

4 (2) Records required by this section may be maintained electronically.

5 9. The division may promulgate rules as may be necessary for the administration of this
6 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
7 under the authority delegated in this section shall become effective only if it complies with and is
8 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
9 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to
10 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently
11 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
12 August 28, 2023, shall be invalid and void.

13 10. (1) Any provider registered pursuant to this section who fails, refuses, or neglects to
14 comply with the provisions of this section or commits any criminal act may have its registration
15 suspended or revoked by the commissioner, after a hearing before the commissioner on an order of
16 the commissioner to show cause why such order of suspension or revocation should not be entered
17 specifying the grounds therefor, which shall be served on the registrant at least ten days prior to the
18 hearing.

19 (2) Whenever it shall appear to the commissioner that any provider registered pursuant to
20 this section is failing, refusing, or neglecting to make a good faith effort to comply with the
21 provisions of this section, the commissioner may issue an order to cease and desist, which order may
22 be enforceable by a civil penalty of not more than one thousand dollars per day for each day that the
23 neglect, failure, or refusal shall continue. The penalty shall be assessed and collected by the
24 commissioner. In determining the amount of the penalty, the commissioner shall take into account
25 the appropriateness of the penalty with respect to the gravity of the violation, the history of previous
26 violations, and such other matters as justice may require.

27 11. All revenues collected by or paid to the commissioner pursuant to this section shall be
28 forwarded immediately to the director of revenue, who shall deposit them in the division of finance
29 fund.

30 12. Any earned wage access services provider knowingly and willfully violating the
31 provisions of this section shall be guilty of a class A misdemeanor.

32 13. If there is a conflict between the provisions of this section and any other state statute, the
33 provisions of this section shall control.

34
35 361.900. Sections 361.900 to 361.1035 shall be known and may be cited as the "Money
36 Transmission Modernization Act of 2023".

37 361.903. Sections 361.900 to 361.1035 are designed to replace existing state money
38 transmission laws currently codified in law and to:

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

(2) Protect the public from financial crime;

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

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

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

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

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

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

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

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

(6) "Commissioner", the commissioner of the Missouri division of finance;

(7) "Control":

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

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

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

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

1 including the person's spouse, parents, children, siblings, mothers- and fathers-in law, sons- and
2 daughters-in-law, brothers- and sisters-in-law, and any other person who shares such person's home;

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

6 (9) "Eligible rating service", any nationally recognized statistical rating organization
7 (NRSRO) as defined by the United States Securities and Exchange Commission and any other
8 organization designated by rule or order;

9 (10) "Federally insured depository financial institution", a bank, credit union, savings and
10 loan association, trust company, savings association, savings bank, industrial bank, or industrial loan
11 company organized under the laws of the United States or any state of the United States if such
12 bank, credit union, savings and loan association, trust company, savings association, savings bank,
13 industrial bank, or industrial loan company has federally insured deposits;

14 (11) "In this state", at a physical location within this state for a transaction requested in
15 person. For a transaction requested electronically or by phone, the provider of money transmission
16 may determine if the person requesting the transaction is in this state by relying on other
17 information provided by the person regarding the location of the individual's residential address or a
18 business entity's principal place of business or other physical address location, and any records
19 associated with the person that the provider of money transmission may have that indicate such
20 location including, but not limited to, an address associated with an account;

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

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

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

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

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

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

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

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

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

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

37
38 The term includes payroll processing services. The term does not include the provision solely of
39 online or telecommunications services or network access;

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

5 (20) "NMLS", the Nationwide Multistate Licensing System and Registry developed by the
6 Conference of State Bank Supervisors and the American Association of Residential Mortgage
7 Regulators and owned and operated by the State Regulatory Registry LLC or any successor or
8 affiliated entity for the licensing and registration of persons in financial services industries;

9 (21) "Outstanding money transmission obligations":

10 (a) Any payment instrument or stored value issued or sold by the licensee to a person
11 located in the United States or reported as sold by an authorized delegate of the licensee to a person
12 that is located in the United States that has not yet been paid or refunded by or for the licensee or
13 escheated in accordance with applicable abandoned property laws; or

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

17
18 For purposes of this subdivision, "in the United States" shall include, to the extent applicable, a
19 person in any state, territory, or possession of the United States; the District of Columbia; the
20 Commonwealth of Puerto Rico; or a U.S. military installation that is located in a foreign country;

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

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

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

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

29 (d) Either:

30 a. Attests to paragraphs (a), (b), and (c) of this subdivision, in a form and in a medium
31 prescribed by the commissioner; or

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

34 (23) "Payment instrument", a written or electronic check, draft, money order, traveler's
35 check, or other written or electronic instrument for the transmission or payment of money or
36 monetary value, regardless of whether negotiable. The term does not include stored value or any
37 instrument that:

1 (a) Is redeemable by the issuer only for goods or services provided by the issuer or its
2 affiliate or franchisees of the issuer or its affiliate, except to the extent required by applicable law to
3 be redeemable in cash for its cash value; or

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

6 (24) "Payroll processing services", receiving money for transmission under a contract with a
7 person to deliver wages or salaries, make payment of payroll taxes to state and federal agencies,
8 make payments relating to employee benefit plans, or make distributions of other authorized
9 deductions from wages or salaries. The term does not include an employer performing payroll
10 processing services on its own behalf or on behalf of its affiliate or a professional employer
11 organization subject to regulation under sections 285.700 to 285.750;

12 (25) "Person", any individual, general partnership, limited partnership, limited liability
13 company, corporation, trust, association, joint stock corporation, or other corporate entity identified
14 by the commissioner;

15 (26) "Receiving money for transmission" or "money received for transmission", receiving
16 money or monetary value in the United States for transmission within or outside the United States
17 by electronic or other means;

18 (27) "Stored value", monetary value representing a claim against the issuer evidenced by an
19 electronic or digital record and that is intended and accepted for use as a means of redemption for
20 money or monetary value or payment for goods or services. The term includes, but is not limited to,
21 "prepaid access" as defined under 31 C.F.R. Section 1010.100, as amended or recodified from time
22 to time. Notwithstanding the provisions of this subdivision, the term does not include a payment
23 instrument or closed loop stored value, or stored value not sold to the public but issued and
24 distributed as part of a loyalty, rewards, or promotional program;

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

28 361.909. Sections 361.900 to 361.1035 shall not apply to:

29 (1) An operator of a payment system to the extent that it provides processing, clearing, or
30 settlement services between or among persons exempted under this section or licensees in
31 connection with wire transfers, credit card transactions, debit card transactions, stored value
32 transactions, automated clearing house transfers, or similar funds transfers;

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

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

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

1 (c) Payment for the goods and services is treated as received by the payee upon receipt by
2 the agent so that the payer's obligation is extinguished and there is no risk of loss to the payer if the
3 agent fails to remit the funds to the payee;

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

7 (a) Is properly licensed or exempt from licensing requirements under sections 361.900 to
8 361.1035;

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

11 (c) Bears sole responsibility to satisfy the outstanding money transmission obligation to the
12 sender, including the obligation to make the sender whole in connection with any failure to transmit
13 the funds to the sender's designated recipient;

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

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

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

19 (7) A federally insured depository financial institution, bank holding company, office of an
20 international banking corporation, foreign bank that establishes a federal branch under the
21 International Bank Act, 12 U.S.C. Section 3102, as amended or recodified from time to time,
22 corporation organized under the Bank Service Corporation Act, 12 U.S.C. Sections 1861-1867, as
23 amended or recodified from time to time, or corporation organized under the Edge Act, 12 U.S.C.
24 Sections 611-633, as amended or recodified from time to time, under the laws of a state or the
25 United States;

26 (8) Electronic funds transfer of governmental benefits for a federal, state, county, or
27 governmental agency by a contractor on behalf of the United States or a department, agency, or
28 instrumentality thereof, or on behalf of a state or governmental subdivision, agency, or
29 instrumentality thereof;

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

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

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

38 (12) An individual employed by a licensee, authorized delegate, or any person exempted
39 from the licensing requirements under sections 361.900 to 361.1035 if acting within the scope of

1 employment and under the supervision of the licensee, authorized delegate, or exempted person as
2 an employee and not as an independent contractor; and

3 (13) A person expressly appointed as a third party service provider to or agent of an entity
4 exempt under subdivision (7) of this subsection solely to the extent that:

5 (a) Such service provider or agent is engaging in money transmission on behalf of and under
6 a written agreement with the exempt entity that sets forth the specific functions that the service
7 provider or agent is to perform; and

8 (b) The exempt entity assumes all risk of loss and all legal responsibility for satisfying the
9 outstanding money transmission obligations owed to purchasers and holders of the outstanding
10 money transmission obligations upon receipt of the purchaser's or holder's money or monetary value
11 by the service provider or agent.

12 361.912. The commissioner may require that any person claiming to be exempt from
13 licensing under section 361.909 provide information and documentation to the commissioner
14 demonstrating that the person qualifies for any claimed exemption.

15 361.915. 1. In order to carry out the purposes of sections 361.900 to 361.1035, the
16 commissioner may, subject to the provisions of subsections 1 and 2 of section 361.918:

17 (1) Enter into agreements or relationships with other government officials or federal and
18 state regulatory agencies and regulatory associations in order to improve efficiencies and reduce
19 regulatory burden by standardizing methods or procedures, and sharing resources, records, or related
20 information obtained under sections 361.900 to 361.1035;

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

23 (3) Accept, from other state or federal government agencies or officials, licensing,
24 examination, or investigation reports made by such other state or federal government agencies or
25 officials; and

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

29 2. The commissioner shall have the broad administrative authority to:

30 (1) Administer, interpret, and enforce sections 361.900 to 361.1035 and promulgate rules or
31 regulations implementing sections 361.900 to 361.1035; and

32 (2) To recover the cost of administering and enforcing sections 361.900 to 361.1035 by
33 imposing and collecting proportionate and equitable fees and costs associated with applications,
34 examinations, investigations, and other actions required to achieve the purpose of sections 361.900
35 to 361.1035.

36 3. The commissioner shall promulgate all necessary rules and regulations for the
37 administration of sections 361.900 to 361.1035. Any rule or portion of a rule, as that term is defined
38 in section 536.010, that is created under the authority delegated in this section shall become
39 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if

1 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers
2 vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to
3 disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking
4 authority and any rule proposed or adopted after August 28, 2023, shall be invalid and void.

5 361.918. 1. Except as otherwise provided in subsection 2 of this section, all information or
6 reports obtained by the commissioner from an applicant, licensee, or authorized delegate and all
7 information contained in or related to an examination, investigation, operating report, or condition
8 report prepared by, on behalf of, or for the use of the commissioner, or financial statements, balance
9 sheets, or authorized delegate information, are confidential and are not subject to disclosure under
10 chapter 610.

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

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

16 361.921. 1. The commissioner may conduct an examination or investigation of a licensee or
17 authorized delegate or otherwise take independent action authorized by sections 361.900 to
18 361.1035 or by a rule adopted or order issued under sections 361.900 to 361.1035 as reasonably
19 necessary or appropriate to administer and enforce sections 361.900 to 361.1035, regulations
20 implementing sections 361.900 to 361.1035, and other applicable law, including the Bank Secrecy
21 Act and the USA PATRIOT Act. The commissioner may:

22 (1) Conduct an examination either onsite or offsite as the commissioner may reasonably
23 require;

24 (2) Conduct an examination in conjunction with an examination conducted by
25 representatives of other state agencies or agencies of another state or of the federal government;

26 (3) Accept the examination report of another state agency or an agency of another state or of
27 the federal government, or a report prepared by an independent accounting firm, which on being
28 accepted is considered for all purposes as an official report of the commissioner; and

29 (4) Summon and examine under oath a key individual or employee of a licensee or
30 authorized delegate and require the person to produce records regarding any matter related to the
31 condition and business of the licensee or authorized delegate.

32 2. A licensee or authorized delegate shall provide, and the commissioner shall have full and
33 complete access to, all records the commissioner may reasonably require to conduct a complete
34 examination. The records shall be provided at the location and in the format specified by the
35 commissioner. The commissioner may utilize multistate record production standards and
36 examination procedures when such standards will reasonably achieve the requirements of this
37 subsection.

38 3. Unless otherwise directed by the commissioner, a licensee shall pay all costs reasonably
39 incurred in connection with an examination of the licensee or the licensee's authorized delegates.

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

7 (1) Cooperate, coordinate, and share information with other state and federal regulators in
8 accordance with section 361.918;

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

12 (3) Cooperate, coordinate, and share information with organizations the membership of
13 which is made up of state or federal governmental agencies, provided that the organizations agree in
14 writing to maintain the confidentiality and security of the shared information in accordance with this
15 section.

16 2. The commissioner shall not waive and nothing in this section constitutes a waiver of the
17 commissioner's authority to conduct an examination or investigation or otherwise take independent
18 action authorized by sections 361.900 to 361.1035 or a rule adopted or order issued under sections
19 361.900 to 361.1035 to enforce compliance with applicable state or federal law.

20 3. A joint examination or investigation, or acceptance of an examination or investigation
21 report, does not waive an examination assessment provided for in sections 361.900 to 361.1035.

22 361.927. 1. In the event state money transmission jurisdiction is conditioned on a federal
23 law, any inconsistencies between a provision of sections 361.900 to 361.1035 and the federal law
24 governing money transmission shall be governed by the applicable federal law to the extent of the
25 inconsistency.

26 2. In the event of any inconsistencies between sections 361.900 to 361.1035 and a federal
27 law that governs under subsection 1 of this section, the commissioner may provide interpretive
28 guidance that:

29 (1) Identifies the inconsistency; and

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

31 361.930. 1. A person shall not engage in the business of money transmission or advertise,
32 solicit, or hold itself out as providing money transmission unless the person is licensed under
33 sections 361.900 to 361.1035.

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

35 (1) A person that is an authorized delegate of a person licensed under sections 361.900 to
36 361.1035 acting within the scope of authority conferred by a written contract with the licensee; or

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

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

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

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

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

8 2. In order to fulfill the purposes of sections 361.900 to 361.1035, the commissioner is
9 authorized to establish relationships or contracts with NMLS, other entities designated by NMLS, or
10 other third parties to enable the commissioner to:

11 (1) Collect and maintain records;

12 (2) Coordinate multistate licensing processes and supervision processes;

13 (3) Process fees; and

14 (4) Facilitate communication between this state and licensees or other persons subject to
15 sections 361.900 to 361.1035.

16 3. The commissioner is authorized to utilize NMLS for all aspects of licensing in
17 accordance with sections 361.900 to 361.1035 including, but not limited to, license applications,
18 applications for acquisitions of control, surety bonds, reporting, criminal history background checks,
19 credit checks, fee processing, and examinations.

20 4. The commissioner is authorized to utilize NMLS forms, processes, and functionalities in
21 accordance with sections 361.900 to 361.1035.

22 5. (1) The commissioner is authorized to establish and adopt, by rule or regulation,
23 requirements for participation by applicants and licensees in NMLS upon the division of finance's
24 determination that each requirement is consistent with law, public interest, and the purposes of this
25 section.

26 (2) Any rule or portion of a rule, as that term is defined in section 536.010, that is created
27 under the authority delegated in this section shall become effective only if it complies with and is
28 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
29 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to
30 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently
31 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
32 August 28, 2023, shall be invalid and void.

33 361.936. 1. Applicants for a license shall apply in a form and in a medium as prescribed by
34 the commissioner. Each such form shall contain content as set forth by rule, regulation, instruction,
35 or procedure of the commissioner and may be changed or updated by the commissioner in
36 accordance with applicable law in order to carry out the purposes of sections 361.900 to 361.1035
37 and maintain consistency with licensing standards and practices. The application shall state or
38 contain, as applicable:

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

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

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

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

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

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

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

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

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

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

20 (11) Any other information the commissioner reasonably requires with respect to the
21 applicant.

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

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

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

28 (3) A brief description of the structure or organization of the applicant, including any
29 parents or subsidiaries of the applicant, and whether any parents or subsidiaries are publicly traded;

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

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

35 (6) A copy of audited financial statements of the applicant for the most recent fiscal year
36 and for the two-year period next preceding the submission of the application or, if determined to be
37 acceptable to the commissioner, certified unaudited financial statements for the most recent fiscal
38 year or other period acceptable to the commissioner;

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

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

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

8 (a) A corporation publicly traded in the United States, a copy of audited financial statements
9 for the parent corporation for the most recent fiscal year or a copy of the parent corporation's most
10 recent report filed under Section 13 of the U.S. Securities Exchange Act of 1934, 15 U.S.C. Section
11 78m, as amended or recodified from time to time; or

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

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

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

17 (12) Any other information the commissioner reasonably requires with respect to the
18 applicant.

19 3. A nonrefundable application fee and license fee, as determined by the commissioner,
20 shall accompany an application for a license under this section.

21 4. The commissioner may waive one or more requirements of subsections 1 and 2 of this
22 section or permit an applicant to submit other information in lieu of the required information.

23 361.939. 1. Any individual in control of a licensee or applicant, any individual that seeks to
24 acquire control of a licensee, and each key individual shall furnish to the commissioner through
25 NMLS the following:

26 (1) The individual's fingerprints for submission to the Federal Bureau of Investigation and
27 the commissioner for purposes of a national criminal history background check unless the person
28 currently resides outside of the United States and has resided outside of the United States for the last
29 ten years; and

30 (2) Personal history and experience in a form and in a medium prescribed by the
31 commissioner, to obtain the following:

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

34 (b) Whether the individual has been convicted of or pled guilty or nolo contendere to a
35 felony involving an act of fraud, dishonesty, or a breach of trust or money laundering; and

36 (c) Information related to any regulatory or administrative action and any civil litigation
37 involving claims of fraud, misrepresentation, conversion, mismanagement of funds, breach of
38 fiduciary duty, or breach of contract.

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

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

5 (a) Demonstrate that it has sufficient knowledge and resources and employs accepted and
6 reasonable methodologies to conduct the research of the background report; and

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

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

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

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

17 (c) Employment history;

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

20 (e) Financial services-related regulatory history including but not limited to, money
21 transmission, securities, banking, insurance, and mortgage-related industries.

22 361.942. 1. If an application for an original license under sections 361.900 to 361.1035
23 appears to include all the items and addresses and all of the matters that are required, the application
24 is complete and the commissioner shall promptly notify the applicant in a record of the date on
25 which the application is determined to be complete, and:

26 (1) The commissioner shall approve or deny the application within one hundred twenty days
27 after the completion date; or

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

30 (a) The application is approved; and

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

33
34 The commissioner may for good cause extend the application period.

35 2. A determination by the commissioner that an application is complete and is accepted for
36 processing means only that the application, on its face, appears to include all of the items, including
37 the Criminal Background Check response from the Federal Bureau of Investigation, and address all
38 of the matters that are required, and is not an assessment of the substance of the application or of the
39 sufficiency of the information provided.

1 3. If an application is filed and considered complete under this section, the commissioner
2 shall investigate the applicant's financial condition and responsibility, financial and business
3 experience, character, and general fitness. The commissioner may conduct an onsite investigation
4 of the applicant, the reasonable cost of which the applicant shall pay. The commissioner shall issue
5 a license to an applicant under this section if the commissioner finds that all of the following
6 conditions have been fulfilled:

7 (1) The applicant has complied with the provisions of sections 361.929 and 361.936; and

8 (2) The financial condition and responsibility, financial and business experience,
9 competence, character, and general fitness of the applicant; and the competence, experience,
10 character, and general fitness of the key individuals and persons in control of the applicant indicate
11 that it is in the interest of the public to permit the applicant to engage in money transmission.

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

13 (1) The commissioner shall be authorized to accept the investigation results of a lead
14 investigative state for the purpose of subsection 3 of this section if the lead investigative state has
15 sufficient staffing, expertise, and minimum standards; or

16 (2) If this state is a lead investigative state, the commissioner shall be authorized to
17 investigate the applicant under subsection 3 of this section and the time frames established by
18 agreement through the multistate licensing process, provided however, that in no case shall such
19 time frame be noncompliant with the application period in subdivision (1) of subsection 1 of this
20 section.

21 5. The commissioner shall issue a formal written notice of the denial of a license application
22 within thirty days of the decision to deny the application. The commissioner shall set forth in the
23 notice of denial the specific reasons for the denial of the application. An applicant whose
24 application is denied by the commissioner under this subsection may appeal within thirty days after
25 receipt of the written notice of the denial under chapter 536.

26 6. The initial license term shall begin on the day the application is approved. The license
27 shall expire on December thirty-first of the year in which the license term began unless the initial
28 license date is between November first and December thirty-first, in which instance the initial
29 license term shall run through December thirty-first of the following year.

30 361.945. 1. A license under sections 361.900 to 361.1035 shall be renewed annually. An
31 annual renewal fee to be determined by the commissioner shall be paid no more than sixty days
32 before the license expiration. The renewal term shall be for a period of one year and shall begin on
33 January first of each year after the initial license term and shall expire on December thirty-first of
34 the year the renewal term begins.

35 2. A licensee shall submit a renewal report with the renewal fee, in a form and in a medium
36 prescribed by the commissioner. The renewal report shall state or contain a description of each
37 material change in information submitted by the licensee in its original license application that has
38 not been reported to the commissioner.

39 3. The commissioner for good cause may grant an extension of the renewal date.

1 4. The commissioner shall be authorized to utilize NMLS to process license renewals
2 provided that such functionality is consistent with this section.

3 361.948. 1. If a licensee does not continue to meet the qualifications or satisfy the
4 requirements that apply to an applicant for a new money transmission license, the commissioner
5 may suspend or revoke the licensee's license in accordance with the procedures established under
6 sections 361.900 to 361.1035 or other applicable state law for such suspension or revocation.

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

10 361.951. 1. Any person, or group of persons acting in concert, seeking to acquire control of
11 a licensee shall obtain the written approval of the commissioner prior to acquiring control. An
12 individual is not deemed to acquire control of a licensee and is not subject to the acquisition of
13 control provisions when that individual becomes a key individual in the ordinary course of business.

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

16 (1) Submit an application in a form and in a medium prescribed by the commissioner; and

17 (2) Submit a nonrefundable fee to be determined by the commissioner with the request for
18 approval.

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

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

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

29 (1) The commissioner shall approve or deny the application within sixty days after the
30 completion date; or

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

32 (a) The application is approved; and

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

35 (3) The commissioner may for good cause extend the application period.

36 6. A determination by the commissioner that an application is complete and is accepted for
37 processing means only that the application, on its face, appears to include all of the items and
38 address all of the matters that are required, and is not an assessment of the substance of the
39 application or of the sufficiency of the information provided.

1 7. If an application is filed and considered complete under subsection 5 of this section, the
2 commissioner shall investigate the financial condition and responsibility, financial and business
3 experience, character, and general fitness of the person, or group of persons acting in concert,
4 seeking to acquire control. The commissioner shall approve an acquisition of control under this
5 section if the commissioner finds that all of the following conditions have been fulfilled:

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

8 (2) The financial condition and responsibility, financial and business experience,
9 competence, character, and general fitness of the person, or group of persons acting in concert,
10 seeking to acquire control and the competence, experience, character, and general fitness of the key
11 individuals and persons that would be in control of the licensee after the acquisition of control
12 indicate that it is in the interest of the public to permit the person, or group of persons acting in
13 concert, to control the licensee.

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

15 (1) The commissioner is authorized to accept the investigation results of a lead investigative
16 state for the purpose of subsection 7 of this section if the lead investigative state has sufficient
17 staffing, expertise, and minimum standards; or

18 (2) If this state is a lead investigative state, the commissioner is authorized to investigate the
19 applicant under subsection 7 of this section and the time frames established by agreement through
20 the multistate licensing process.

21 9. The commissioner shall issue a formal written notice of the denial of an application to
22 acquire control within thirty days of the decision to deny the application. The commissioner shall
23 set forth in the notice of denial the specific reasons for the denial of the application. An applicant
24 whose application is denied by the commissioner under this subsection may appeal within thirty
25 days after receipt of the written notice of the denial under chapter 536.

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

28 (1) A person that acts as a proxy for the sole purpose of voting at a designated meeting of
29 the shareholders or holders of voting shares or voting interests of a licensee or a person in control of
30 a licensee;

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

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

35 (4) A person that is exempt under subsection 7 of section 361.909;

36 (5) A person that the commissioner determines is not subject to subsection 1 of this section
37 based on the public interest;

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

1 (7) An internal reorganization of a person in control of the licensee where the ultimate
2 person in control of the licensee remains the same.

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

6 12. (1) The requirements of subsections 1 and 2 of this section shall not apply to a person
7 that has complied with and received approval to engage in money transmission under sections
8 361.900 to 361.1035 or was identified as a person in control in a prior application filed with and
9 approved by the commissioner or by another state under a multistate licensing process, provided
10 that:

11 (a) The person has not had a license revoked or suspended or controlled a licensee that has
12 had a license revoked or suspended while the person was in control of the licensee in the previous
13 five years;

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

17 (c) The licensee to be acquired is projected to meet the requirements of sections 361.999,
18 361.1002, and 361.1005 after the acquisition of control is completed, and if the person acquiring
19 control is a licensee, that licensee is also projected to meet the requirements of sections 361.999,
20 361.1002, and 361.1005 after the acquisition of control is completed;

21 (d) The licensee to be acquired will not implement any material changes to its business plan
22 as a result of the acquisition of control, and if the person acquiring control is a licensee, that licensee
23 also will not implement any material changes to its business plan as a result of the acquisition of
24 control; and

25 (e) The person provides notice of the acquisition in cooperation with the licensee and attests
26 to paragraphs (a) to (d) of this subdivision in a form and in a medium prescribed by the
27 commissioner.

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

30 13. Before filing an application for approval to acquire control of a licensee, a person may
31 request in writing a determination from the commissioner as to whether the person would be
32 considered a person in control of a licensee upon consummation of a proposed transaction. If the
33 commissioner determines that the person would not be a person in control of a licensee, the
34 proposed person and transaction is not subject to the requirements of subsections 1 and 2 of this
35 subsection.

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

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

4 (2) If this state is a lead investigative state, the commissioner is authorized to investigate the
5 applicant under subsection 13 of this section and the time frames established by agreement through
6 the multistate licensing process.

7 361.954. 1. A licensee adding or replacing any key individual shall:

8 (1) Provide notice in a manner prescribed by the commissioner within fifteen days after the
9 effective date of the key individual's appointment; and

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

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

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

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

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

26 (1) The commissioner is authorized to accept the determination of another state if the
27 investigating state has sufficient staffing, expertise, and minimum standards for the purpose of this
28 section; or

29 (2) If this state is a lead investigative state, the commissioner is authorized to investigate the
30 applicant under subsection 2 of this section and the time frames established by agreement through
31 the multistate licensing process.

32 361.957. 1. Each licensee shall submit a report of condition within forty days of the end of
33 the calendar quarter or within any extended time as the commissioner may prescribe.

34 2. The report of condition shall include:

35 (1) Financial information at the licensee level;

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

38 (3) Permissible investments report;

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

3 (5) Any other information the commissioner reasonably requires with respect to the
4 licensee. The commissioner is authorized to utilize NMLS for the submission of the report required
5 by subsection 1 of this section and is authorized to update as necessary the requirements of this
6 section to carry out the purposes of sections 361.900 to 361.1035 and maintain consistency with
7 NMLS reporting.

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

11 361.960. 1. Each licensee shall, within ninety days after the end of each fiscal year or
12 within any extended time as the commissioner may prescribe, file with the commissioner:

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

15 (2) Any other information as the commissioner may reasonably require.

16 2. The audited financial statement shall be prepared by an independent certified public
17 accountant or independent public accountant who is satisfactory to the commissioner.

18 3. The audited financial statements shall include or be accompanied by a certificate of
19 opinion of the independent certified public accountant or independent public accountant that is
20 satisfactory in form and content to the commissioner. If the certificate or opinion is qualified, the
21 commissioner may order the licensee to take any action as the commissioner may find necessary to
22 enable the independent certified public accountant or independent public accountant to remove the
23 qualification.

24 361.963. 1. Each licensee shall submit a report of authorized delegates within forty-five
25 days of the end of the calendar quarter. The commissioner is authorized to utilize NMLS for the
26 submission of the report required under this section, provided that such functionality is consistent
27 with the requirements of this section.

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

29 (1) Company legal name;

30 (2) Taxpayer employer identification number;

31 (3) Principal provider identifier;

32 (4) Physical address, if any;

33 (5) Mailing address;

34 (6) Any business conducted in other states;

35 (7) Any fictitious or trade name;

36 (8) Contact person name, phone number, and email;

37 (9) Start date as licensee's authorized delegate;

38 (10) End date acting as licensee's authorized delegate, if applicable; and

1 (11) Any other information the commissioner reasonably requires with respect to the
2 authorized delegate.

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

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

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

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

13 2. A licensee shall notify the commissioner within three business days after the licensee has
14 reason to know that:

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

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

20 361.969. A licensee and an authorized delegate shall file all reports required by federal
21 currency reporting, record keeping, and suspicious activity reporting requirements as set forth in the
22 Bank Secrecy Act and other federal and state laws pertaining to money laundering. The timely
23 filing of a complete and accurate report required under this section with the appropriate federal
24 agency is deemed compliant with the requirements of this section.

25 361.972. 1. A licensee shall maintain the following records for determining its compliance
26 with sections 361.900 to 361.1035 for at least three years:

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

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

30 (3) Bank statements and bank reconciliation records;

31 (4) Records of outstanding money transmission obligations;

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

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

36 (7) Any other records the commissioner reasonably requires by rule.

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

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

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

6 361.975. 1. As used in this section, "remit" means to make direct payments of money to a
7 licensee or its representative authorized to receive money or to deposit money in a bank in an
8 account specified by the licensee.

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

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

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

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

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

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

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

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

25 (3) Require the authorized delegate to agree to fully comply with all applicable state and
26 federal laws, rules, and regulations pertaining to money transmission, including sections 361.900 to
27 361.1035 and regulations implementing sections 361.900 to 361.1035, relevant provisions of the
28 Bank Secrecy Act, and the USA PATRIOT Act;

29 (4) Require the authorized delegate to remit and handle money and monetary value in
30 accordance with the terms of the contract between the licensee and the authorized delegate;

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

33 (6) Require the authorized delegate to prepare and maintain records as required by sections
34 361.900 to 361.1035 or regulations implementing sections 361.900 to 361.1035, or as reasonably
35 requested by the commissioner;

36 (7) Acknowledge that the authorized delegate consents to examination or investigation by
37 the commissioner;

1 (8) State that the licensee is subject to regulation by the commissioner and that, as part of
2 that regulation, the commissioner may suspend or revoke an authorized delegate designation or
3 require the licensee to terminate an authorized delegate designation; and

4 (9) Acknowledge receipt of the written policies and procedures required under subdivision
5 (1) of subsection 1 of this section.

6 5. If the licensee's license is suspended, revoked, surrendered, or expired, the licensee shall,
7 within five business days, provide documentation to the commissioner that the licensee has notified
8 all applicable authorized delegates of the licensee whose names are in a record filed with the
9 commissioner of the suspension, revocation, surrender, or expiration of a license. Upon suspension,
10 revocation, surrender, or expiration of a license, applicable authorized delegates shall immediately
11 cease to provide money transmission as an authorized delegate of the licensee.

12 6. An authorized delegate of a licensee holds in trust for the benefit of the licensee all
13 money net of fees received from money transmission. If any authorized delegate commingles any
14 funds received from money transmission with any other funds or property owned or controlled by
15 the authorized delegate, all commingled funds and other property shall be considered held in trust in
16 favor of the licensee in an amount equal to the amount of money net of fees received from money
17 transmission.

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

20 361.978. A person shall not engage in the business of money transmission on behalf of a
21 person not licensed under sections 361.900 to 361.1035 or not exempt under sections 361.909 and
22 361.912. A person that engages in such activity provides money transmission to the same extent as
23 if the person were a licensee and shall be jointly and severally liable with the unlicensed or
24 nonexempt person.

25 361.981. 1. The circuit court in an action brought by a licensee shall have jurisdiction to
26 grant appropriate equitable or legal relief, including without limitation prohibiting the authorized
27 delegate from directly or indirectly acting as an authorized delegate for any licensee in this state and
28 the payment of restitution, damages, or other monetary relief, if the circuit court finds that an
29 authorized delegate failed to remit money in accordance with the written contract required by
30 subsection 2 of section 361.1275 or as otherwise directed by the licensee or required by law.

31 2. If the circuit court issues an order prohibiting a person from acting as an authorized
32 delegate for any licensee under subsection 1 of this section, the licensee that brought the action shall
33 report the order to the commissioner within thirty days and shall report the order through NMLS
34 within ninety days.

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

37 4. An authorized delegate who holds money in trust for the benefit of a licensee and
38 knowingly fails to remit no more than one thousand dollars of such money is guilty of a class A
39 misdemeanor.

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

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

8 361.987. 1. This section shall not apply to:

9 (1) Money received for transmission subject to the federal Remittance Rule, 12 C.F.R. Part
10 1005, Subpart B, as amended or recodified from time to time; or

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

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

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

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

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

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

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

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

30 (b) Identify the particular transaction to be refunded in the event the sender has multiple
31 transactions outstanding.

32 361.990. 1. This section shall not apply to:

33 (1) Money received for transmission subject to the federal Remittance Rule, 12 C.F.R. Part
34 1005, Subpart B, as amended or recodified from time to time;

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

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

39 (4) Payroll processing services.

2. For purposes of this section, "receipt" means a paper receipt, electronic record, or other written confirmation. For a transaction conducted in person, the receipt may be provided electronically if the sender requests or agrees to receive an electronic receipt. For a transaction conducted electronically or by phone, a receipt may be provided electronically. All electronic receipts shall be provided in a retainable form.

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

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

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

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

- (1) Issue reports to clients detailing client payroll obligations in advance of the payroll funds being deducted from an account; and
- (2) Make available worker paystubs or an equivalent statement to workers.

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

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

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

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

2. The amount of the required security shall be:

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

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

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

9 361.1005. 1. A licensee shall maintain at all times permissible investments that have a
10 market value computed in accordance with United States generally accepted accounting principles
11 of not less than the aggregate amount of all of its outstanding money transmission obligations.

12 2. Except for permissible investments enumerated in subsection 1 of section 361.1008, the
13 commissioner, with respect to any licensee, may by rule limit the extent to which a specific
14 investment maintained by a licensee within a class of permissible investments may be considered a
15 permissible investment if the specific investment represents undue risk to customers not reflected in
16 the market value of investments.

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

27 4. Upon the establishment of a statutory trust in accordance with subsection 3 of this section
28 or when any funds are drawn on a letter of credit under subdivision (4) of subsection 1 of section
29 361.1008, the commissioner shall notify the applicable regulator of each state in which the licensee
30 is licensed to engage in money transmission, if any, of the establishment of the trust or the funds
31 drawn on the letter of credit, as applicable. Notice shall be deemed satisfied if performed under a
32 multistate agreement or through NMLS. Funds drawn on a letter of credit, and any other
33 permissible investments held in trust for the benefit of the purchasers and holders of the licensee's
34 outstanding money transmission obligations, are deemed held in trust for the benefit of such
35 purchasers and holders on a pro rata and equitable basis in accordance with statutes under which
36 permissible investments are required to be held in this state, and other states, as applicable. Any
37 statutory trust established under this subsection shall be terminated upon extinguishment of all of
38 the licensee's outstanding money transmission obligations.

1 5. The commissioner by rule or by order may allow other types of investments that the
2 commissioner determines are of sufficient liquidity and quality to be a permissible investment. The
3 commissioner is authorized to participate in efforts with other state regulators to determine that
4 other types of investments are of sufficient liquidity and quality to be a permissible investment.

5 361.1008. 1. The following investments are permissible under section 361.1005:

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

13 (2) Certificates of deposit or senior debt obligations of an insured depository institution, as
14 defined under the Federal Deposit Insurance Act, 12 U.S.C. Section 1813, as amended or recodified
15 from time to time, or as defined under the federal Credit Union Act, 12 U.S.C. Section 1781, as
16 amended or recodified from time to time;

17 (3) An obligation of the United States or a commission, agency, or instrumentality thereof;
18 an obligation that is guaranteed fully as to principal and interest by the United States; or an
19 obligation of a state or a governmental subdivision, agency, or instrumentality thereof;

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

22 (5) The full drawable amount of an irrevocable standby letter of credit for which the stated
23 beneficiary is the commissioner that stipulates that the beneficiary need draw only a sight draft
24 under the letter of credit and present it to obtain funds up to the letter of credit amount within seven
25 days of presentation of the items required by paragraph (d) of this subdivision. The letter of credit
26 shall:

27 (a) Be issued by a federally insured depository financial institution, a foreign bank that is
28 authorized under federal law to maintain a federal agency or federal branch office in a state or states,
29 or a foreign bank that is authorized under state law to maintain a branch in a state that:

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

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

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

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

37 (d) Contain an issue date and expiration date, and expressly provide for automatic extension,
38 without a written amendment, for an additional period of one year from the present or each future
39 expiration date unless the issuer of the letter of credit notifies the commissioner in writing by

1 certified or registered mail or courier mail or other receipted means, at least sixty days prior to any
2 expiration date, that the irrevocable letter of credit will not be extended.

3 2. In the event of any notice of expiration or nonextension of a letter of credit issued under
4 paragraph (d) of subdivision (4) of subsection 1 of this section, the licensee shall be required to
5 demonstrate to the satisfaction of the commissioner, fifteen days prior to expiration, that the licensee
6 maintains and will maintain permissible investments in accordance with subsection 1 of section
7 361.1005 upon the expiration of the letter of credit. If the licensee is not able to do so, the
8 commissioner may draw on the letter of credit in an amount up to the amount necessary to meet the
9 licensee's requirements to maintain permissible investments in accordance with subsection 1 of
10 section 361.1005. Any such draw shall be offset against the licensee's outstanding money
11 transmission obligations. The drawn funds shall be held in trust by the commissioner or the
12 commissioner's designated agent, to the extent authorized by law, as agent for the benefit of the
13 purchasers and holders of the licensee's outstanding money transmission obligations.

14 3. The letter of credit shall provide that the issuer of the letter of credit will honor, at sight, a
15 presentation made by the beneficiary to the issuer of the following documents on or prior to the
16 expiration date of the letter of credit:

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

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

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

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

25 (c) The seizure of assets of a licensee by the commissioner under an emergency order issued
26 in accordance with applicable law, on the basis of an action, violation, or condition that has caused
27 or is likely to cause the insolvency of the licensee; or

28 (d) The beneficiary has received notice of expiration or nonextension of a letter of credit
29 and the licensee failed to demonstrate to the satisfaction of the beneficiary that the licensee will
30 maintain permissible investments in accordance with subsection 1 of section 361.1005 upon the
31 expiration or nonextension of the letter of credit.

32 4. The commissioner may designate an agent to serve on the commissioner's behalf as
33 beneficiary to a letter of credit so long as the agent and letter of credit meet requirements established
34 by the commissioner. The commissioner's agent may serve as agent for multiple licensing
35 authorities for a single irrevocable letter of credit if the proceeds of the drawable amount for the
36 purposes of this subsection are assigned to the commissioner.

37 5. The commissioner is authorized to participate in multistate processes designed to
38 facilitate the issuance and administration of letters of credit including, but not limited to, services
39 provided by the NMLS, State Regulatory Registry LLC, or other third parties.

1 6. Unless permitted by the commissioner by rule or by order to exceed the limit as set forth
2 herein, the following investments are permissible under section 361.1005 to the extent specified:

3 (1) Receivables that are payable to a licensee from its authorized delegates in the ordinary
4 course of business that are less than seven days old, up to fifty percent of the aggregate value of the
5 licensee's total permissible investments. Of the receivables permissible under this subdivision,
6 receivables that are payable to a licensee from a single authorized delegate in the ordinary course of
7 business shall not exceed ten percent of the aggregate value of the licensee's total permissible
8 investments;

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

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

13 (b) Commercial paper bearing an eligible rating;

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

15 (d) United States triparty repurchase agreements collateralized at one hundred percent or
16 more with United States government or agency securities, municipal bonds, or other securities
17 bearing an eligible rating;

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

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

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

26 (a) Has an eligible rating;

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

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

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

32 361.1011. 1. The commissioner may suspend or revoke a license or order a licensee to
33 revoke the designation of an authorized delegate if:

34 (1) The licensee violates sections 361.900 to 361.1035 or a rule adopted or an order issued
35 under sections 361.900 to 361.1035;

36 (2) The licensee does not cooperate with an examination or investigation by the
37 commissioner;

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

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

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

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

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

12 (8) The licensee does not remove an authorized delegate after the commissioner issues and
13 serves upon the licensee a final order including a finding that the authorized delegate has violated
14 sections 361.900 to 361.1035.

15 2. In determining whether a licensee is engaging in an unsafe or unsound practice, the
16 commissioner may consider the size and condition of the licensee's money transmission, the
17 magnitude of the loss, the gravity of the violation of sections 361.900 to 361.1035, and the previous
18 conduct of the person involved.

19 361.1014. 1. The commissioner may issue an order suspending or revoking the designation
20 of an authorized delegate, if the commissioner finds that:

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

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

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

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

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

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

33 2. In determining whether an authorized delegate is engaging in an unsafe or unsound
34 practice, the commissioner may consider the size and condition of the authorized delegate's
35 provision of money transmission, the magnitude of the loss, the gravity of the violation of sections
36 361.900 to 361.1035 or a rule adopted or order issued under sections 361.900 to 361.1035, and the
37 previous conduct of the authorized delegate.

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

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

8 2. The commissioner may issue an order against a licensee to cease and desist from
9 providing money transmission through an authorized delegate that is the subject of a separate order
10 by the commissioner.

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

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

17 5. An order to cease and desist expires unless the commissioner commences an
18 administrative proceeding under chapter 536 within ten days after it is issued.

19 361.1020. The commissioner may enter into a consent order at any time with a person to
20 resolve a matter arising under sections 361.900 to 361.1035 or a rule adopted or order issued under
21 sections 361.900 to 361.1035. A consent order shall be signed by the person to whom it is issued or
22 by the person's authorized representative and shall indicate agreement with the terms contained in
23 the order. A consent order may provide that it does not constitute an admission by a person that
24 sections 361.900 to 361.1035 or a rule adopted or an order issued under sections 361.900 to
25 361.1035 has been violated.

26 361.1023. 1. A person that intentionally makes a false statement, misrepresentation, or false
27 certification in a record filed or required to be maintained under sections 361.900 to 361.1035 or
28 that intentionally makes a false entry or omits a material entry in such a record is guilty of a class E
29 felony.

30 2. A person that knowingly engages in an activity for which a license is required under
31 sections 361.900 to 361.1035 without being licensed under sections 361.900 to 361.1035 and who
32 receives more than five hundred dollars in compensation within a thirty-day period for this activity
33 is guilty of a class E felony.

34 3. A person that knowingly engages in an activity for which a license is required under
35 sections 361.900 to 361.1035 without being licensed under sections 361.900 to 361.1035 and who
36 receives no more than five hundred dollars in compensation within a thirty-day period for this
37 activity is guilty of a class A misdemeanor.

38 361.1026. The commissioner may assess a civil penalty against a person that violates
39 sections 361.900 to 361.1035 or a rule adopted or an order issued under sections 361.900 to

1 361.1035 in an amount not to exceed one thousand dollars per day for each day the violation is
2 outstanding, plus this state's costs and expenses for the investigation and prosecution of the matter,
3 including reasonable attorney's fees.

4 361.1029. 1. If the commissioner has reason to believe that a person has violated or is
5 violating section 361.930, the commissioner may issue an order to show cause why an order to cease
6 and desist shall not be issued requiring that the person cease and desist from the violation of section
7 361.930.

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

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

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

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

17 6. An order to cease and desist expires unless the commissioner commences an
18 administrative proceeding within ten days after it is issued.

19 361.1032. In applying and construing sections 361.900 to 361.1035, consideration shall be
20 given to the need to promote uniformity of the law with respect to its subject matter among states
21 that enact it.

22 361.1035. 1. A person licensed in this state to engage in the business of money transmission
23 shall not be subject to the provisions of sections 361.900 to 361.1035 to the extent that they conflict
24 with current law or establish new requirements not imposed under current law, until such time as the
25 licensee renews the licensee's current license.

26 2. Notwithstanding subsection 1 of this section, a licensee shall only be required to amend
27 its authorized delegate contracts for contracts entered into or amended after the effective date or the
28 completion of any transition period contemplated under subsection 1 of this section. Nothing herein
29 shall be construed as limiting an authorized delegate's obligations to operate in full compliance with
30 sections 361.900 to 361.1035 as required by subsection 3 of section 361.975."; and

31
32 Further amend said bill, Page 2, Section 362.034, Line 43, by inserting after all of said section and
33 line the following:
34

35 "362.245. 1. The affairs and business of the corporation shall be managed by a board of directors,
36 consisting of not less than five nor more than thirty-five stockholders who shall be elected annually; except,
37 that trust companies in existence on October 13, 1967, may continue to divide the directors into three classes
38 of equal number, as near as may be, and to elect one class each year for three-year terms. Notwithstanding

1 any provision of this chapter to the contrary, a director who is not a stockholder shall have all the rights,
2 privileges, and duties of a director who is a stockholder.

3 2. Each director shall be a citizen of the United States, and except for a private trust company as
4 described under section 361.160, at least a majority of the directors must be residents of this state at the time
5 of their election and during their continuance in office; provided, however, that if a director actually resides
6 within a radius of one hundred miles of the banking house of said bank or trust company, even though his or
7 her residence be in another state adjoining and contiguous to the state of Missouri, he or she shall for the
8 purposes of this section be considered as a resident of this state and in the event such director shall be a
9 nonresident of the state of Missouri he or she shall upon his or her election as a director file with the president
10 of the banking house or such other chief executive ~~[office]~~ officer as otherwise permitted by this chapter
11 written consent to service of legal process upon him in his or her capacity as a director by service of the legal
12 process upon the president as though the same were personally served upon the director in Missouri.

13 3. If at a time when not more than a majority of the directors are residents of this state, except for a
14 private trust company as described under section 361.160, any director shall cease to be a resident of this
15 state or adjoining state as ~~[defined]~~ described in subsection 2 of this section, he or she shall forthwith cease to
16 be a director of the bank or trust company and his or her office shall be vacant.

17 4. No person shall be a director in any bank or trust company against whom such bank or trust
18 company shall hold a judgment.

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

21 364.030. 1. No person shall engage in the business of a financing institution in this state
22 without a license therefor as provided in this chapter; except, however, that no bank, trust company,
23 loan and investment company, licensed sales finance company, registrant under the provisions of
24 sections 367.100 to 367.200, or person who makes only occasional purchases of retail time contracts
25 or accounts under retail charge agreements and which purchases are not being made in the course of
26 repeated or successive purchase of retail installment contracts from the same seller, shall be required
27 to obtain a license under this chapter but shall comply with all the laws of this state applicable to the
28 conduct and operation of a financing institution.

29 2. The application for the license shall be in writing, under oath and in the form prescribed
30 by the director. The application shall contain the name of the applicant; date of incorporation, if
31 incorporated; the address where the business is or is to be conducted and similar information as to
32 any branch office of the applicant; the name and resident address of the owner or partners or, if a
33 corporation or association, of the directors, trustees and principal officers, and other pertinent
34 information as the director may require.

35 3. The license fee for each calendar year or part thereof shall be the sum of ~~[five]~~ six
36 hundred dollars for each place of business of the licensee in this state which shall be paid into the
37 general revenue fund. The director may establish a biennial licensing arrangement, but in no case
38 shall the fees be payable for more than one year at a time.

1 4. Each license shall specify the location of the office or branch and must be conspicuously
2 displayed therein. In case the location is changed, the director shall either endorse the change of
3 location of the license or mail the licensee a certificate to that effect, without charge.

4 5. Upon the filing of an application, and the payment of the fee, the director shall issue a
5 license to the applicant to engage in the business of a financing institution under and in accordance
6 with the provisions of this chapter for a period which shall expire the last day of December next
7 following the date of its issuance. The license shall not be transferable or assignable. No licensee
8 shall transact any business provided for by this chapter under any other name.

9 364.105. 1. No person shall engage in the business of a premium finance company in this
10 state without first registering as a premium finance company with the director.

11 2. The annual registration fee shall be [~~five~~] six hundred dollars payable to the director as of
12 the first day of July of each year. The director may establish a biennial licensing arrangement, but
13 in no case shall the fees be payable for more than one year at a time.

14 3. Registration shall be made on forms prepared by the director and shall contain the
15 following information:

16 (1) Name, business address and telephone number of the premium finance company;

17 (2) Name and business address of corporate officers and directors or principals or partners;

18 (3) A sworn statement by an appropriate officer, principal or partner of the premium finance
19 company that:

20 (a) The premium finance company is financially capable to engage in the business of
21 insurance premium financing; and

22 (b) If a corporation, that the corporation is authorized to transact business in this state;

23 (4) If any material change occurs in the information contained in the registration form, a
24 revised statement shall be submitted to the director accompanied by an additional fee of three
25 hundred dollars.

26 365.030. 1. No person shall engage in the business of a sales finance company in this state
27 without a license as provided in this chapter; except, that no bank, trust company, savings and loan
28 association, loan and investment company or registrant under the provisions of sections 367.100 to
29 367.200 authorized to do business in this state is required to obtain a license under this chapter but
30 shall comply with all of the other provisions of this chapter.

31 2. The application for the license shall be in writing, under oath and in the form prescribed
32 by the director. The application shall contain the name of the applicant; date of incorporation, if
33 incorporated; the address where the business is or is to be conducted and similar information as to
34 any branch office of the applicant; the name and resident address of the owner or partners or, if a
35 corporation or association, of the directors, trustees and principal officers, and such other pertinent
36 information as the director may require.

37 3. The license fee for each calendar year or part thereof shall be the sum of [~~five~~] six
38 hundred dollars for each place of business of the licensee in this state. The director may establish a

1 biennial licensing arrangement, but in no case shall the fees be payable for more than one year at a
2 time.

3 4. Each license shall specify the location of the office or branch and must be conspicuously
4 displayed there. In case the location is changed, the director shall either endorse the change of
5 location on the license or mail the licensee a certificate to that effect, without charge.

6 5. Upon the filing of the application, and the payment of the fee, the director shall issue a
7 license to the applicant to engage in the business of a sales finance company under and in
8 accordance with the provisions of this chapter for a period which shall expire the last day of
9 December next following the date of its issuance. The license shall not be transferable or
10 assignable. No licensee shall transact any business provided for by this chapter under any other
11 name.

12 367.140. 1. Every lender shall, at the time of filing application for certificate of registration
13 as provided in section 367.120 hereof, pay the sum of [~~five~~] six hundred dollars as an annual
14 registration fee for the period ending the thirtieth day of June next following the date of payment
15 and in full payment of all expenses for investigations, examinations and for the administration of
16 sections 367.100 to 367.200, except as provided in section 367.160, and thereafter a like fee shall be
17 paid on or before June thirtieth of each year; provided, that if a lender is supervised by the
18 commissioner of finance under any other law, the charges for examination and supervision required
19 to be paid under said law shall be in lieu of the annual fee for registration and examination required
20 under this section. The fee shall be made payable to the director of revenue. If the initial
21 registration fee for any certificate of registration is for a period of less than twelve months, the
22 registration fee shall be prorated according to the number of months that said period shall run. The
23 director may establish a biennial licensing arrangement, but in no case shall the fees be payable for
24 more than one year at a time.

25 2. Upon receipt of such fee and application for registration, and provided the bond, if
26 required by the director, has been filed, the director shall issue to the lender a certificate containing
27 the lender's name and address and reciting that such lender is duly and properly registered to
28 conduct the supervised business. The lender shall keep this certificate of registration posted in a
29 conspicuous place at the place of business recited in the registration certificate. Where the lender
30 engages in the supervised business at or from more than one office or place of business, such lender
31 shall obtain a separate certificate of registration for each such office or place of business.

32 3. Certificates of registration shall not be assignable or transferable except that the lender
33 named in any such certificate may obtain a change of address of the place of business therein set
34 forth. Each certificate of registration shall remain in full force and effect until surrendered, revoked,
35 or suspended as herein provided.

36 407.640. 1. A credit services organization shall file a registration statement with the
37 director of finance before conducting business in this state. The registration statement must contain:

38 (1) The name and address of the credit services organization; and

39 (2) The name and address of any person who directly or indirectly owns or controls ten

1 percent or more of the outstanding shares of stock in the credit services organization.

2 2. The registration statement must also contain either:

3 (1) A full and complete disclosure of any litigation or unresolved complaint filed by or with
4 a governmental authority of this state relating to the operation of the credit services organization; or

5 (2) A notarized statement that states that there has been no litigation or unresolved
6 complaint filed by or with a governmental authority of this state relating to the operation of the
7 credit services organization.

8 3. The credit services organization shall update the statement not later than the ninetieth day
9 after the date on which a change in the information required in the statement occurs.

10 4. Each credit services organization registering under this section shall maintain a copy of
11 the registration statement in the office of the credit services organization. The credit services
12 organization shall allow a buyer to inspect the registration statement on request.

13 5. The director of finance may charge each credit services organization that files a
14 registration statement with the director of finance a reasonable fee not to exceed ~~[three]~~ four
15 hundred dollars to cover the cost of filing. The director of finance may not require a credit services
16 organization to provide information other than that provided in the registration statement as part of
17 the registration process.

18 408.145. 1. To encourage competitive equality, lenders issuing credit cards in this state
19 pursuant to the authority of section 408.100 or 408.200[;] may ~~[in addition to lawful interest,~~
20 ~~contract for, charge and collect fees for]~~ issue such credit cards ~~[which]~~ under such terms and
21 conditions that any lender in any contiguous state is permitted to ~~[charge]~~ utilize for credit cards
22 issued in such contiguous state by such state's statutes. State-chartered lenders ~~[charging such fees]~~
23 issuing credit cards in reliance on this subsection shall file a copy of the pertinent statutes of one
24 contiguous state authorizing credit card ~~[fees]~~ terms and conditions with the director of finance or
25 such lender's principal state regulator. The director of finance or other principal state regulator shall,
26 within thirty days after receipt of the filing, approve or disapprove of such ~~[fees]~~ terms and
27 conditions on the sole basis of whether the statutes of such contiguous state permit such ~~[fees,]~~
28 terms and conditions and without regard to the restrictions placed upon credit cards by subsection 2
29 of this section. When the lender is chartered by the federal government, or any agency thereunder,
30 or is unregulated, such lender shall file with and be approved by the Missouri attorney general under
31 the same provision as provided a state-chartered lender.

32 2. "Credit card" as used in this section shall mean a credit device defined as such in the
33 federal Consumer Credit Protection Act and regulations thereunder, except:

34 (1) The term shall be limited to credit devices which permit the holder to purchase goods
35 and service upon presentation to third parties whether or not the credit card also permits the holder
36 to obtain loans of any other type; and

37 (2) Such credit device shall only provide credit which is not secured by real or personal
38 property.

39 3. "Lender" as used in this section shall mean any category of depository or nondepository

creditor. Notwithstanding the provisions of ~~[section 408.140]~~ sections 408.100 to 408.190 to the contrary, the lender shall declare on each credit card contract whether the credit card ~~[fees are governed by section 408.140, or by]~~ is issued pursuant to this section.

408.500. 1. Lenders, other than banks, trust companies, credit unions, savings banks and savings and loan companies, in the business of making unsecured loans of five hundred dollars or less shall obtain a license from the director of the division of finance. An annual license fee of ~~[five]~~ six hundred dollars per location shall be required. The license year shall commence on January first each year and the license fee may be prorated for expired months. The director may establish a biennial licensing arrangement, but in no case shall the fees be payable for more than one year at a time. The provisions of this section shall not apply to pawnbroker loans, consumer credit loans as authorized under chapter 367, nor to a check accepted and deposited or cashed by the payee business on the same or the following business day. The disclosures required by the federal Truth in Lending Act and regulation Z shall be provided on any loan, renewal or extension made pursuant to this section and the loan, renewal or extension documents shall be signed by the borrower.

2. Entities making loans pursuant to this section shall contract for and receive simple interest and fees in accordance with sections 408.100 and 408.140. Any contract evidencing any fee or charge of any kind whatsoever, except for bona fide clerical errors, in violation of this section shall be void. Any person, firm or corporation who receives or imposes a fee or charge in violation of this section shall be guilty of a class A misdemeanor.

3. Notwithstanding any other law to the contrary, cost of collection expenses, which include court costs and reasonable attorneys fees, awarded by the court in suit to recover on a bad check or breach of contract shall not be considered as a fee or charge for purposes of this section.

4. Lenders licensed pursuant to this section shall conspicuously post in the lobby of the office, in at least fourteen-point bold type, the maximum annual percentage rates such licensee is currently charging and the statement:

NOTICE:

This lender offers short-term loans. Please read and understand the terms of the loan agreement before signing.

5. The lender shall provide the borrower with a notice in substantially the following form set forth in at least ten-point bold type, and receipt thereof shall be acknowledged by signature of the borrower:

(1) This lender offers short-term loans. Please read and understand the terms of the loan agreement before signing.

(2) You may cancel this loan without costs by returning the full principal balance to the lender by the close of the lender's next full business day.

6. The lender shall renew the loan upon the borrower's written request and the payment of any interest and fees due at the time of such renewal; however, upon the first renewal of the loan agreement, and each subsequent renewal thereafter, the borrower shall reduce the principal amount of the loan by not less than five percent of the original amount of the loan until such loan is paid in

1 full. However, no loan may be renewed more than six times.

2 7. When making or negotiating loans, a licensee shall consider the financial ability of the
3 borrower to reasonably repay the loan in the time and manner specified in the loan contract. All
4 records shall be retained at least two years.

5 8. A licensee who ceases business pursuant to this section must notify the director to request
6 an examination of all records within ten business days prior to cessation. All records must be
7 retained at least two years.

8 9. Any lender licensed pursuant to this section who fails, refuses or neglects to comply with
9 the provisions of this section, or any laws relating to consumer loans or commits any criminal act
10 may have its license suspended or revoked by the director of finance after a hearing before the
11 director on an order of the director to show cause why such order of suspension or revocation should
12 not be entered specifying the grounds therefor which shall be served on the licensee at least ten days
13 prior to the hearing.

14 10. Whenever it shall appear to the director that any lender licensed pursuant to this section
15 is failing, refusing or neglecting to make a good faith effort to comply with the provisions of this
16 section, or any laws relating to consumer loans, the director may issue an order to cease and desist
17 which order may be enforceable by a civil penalty of not more than one thousand dollars per day for
18 each day that the neglect, failure or refusal shall continue. The penalty shall be assessed and
19 collected by the director. In determining the amount of the penalty, the director shall take into
20 account the appropriateness of the penalty with respect to the gravity of the violation, the history of
21 previous violations, and such other matters as justice may require.

22 427.300. 1. This section shall be known, and may be cited as, the "Commercial Financing
23 Disclosure Law".

24 2. For purposes of this section, the following terms mean:

25 (1) "Account":

26 (a) Includes:

27 a. A right to payment of a monetary obligation, whether or not earned by performance, for
28 one of the following:

29 (i) Property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed
30 of;

31 (ii) Services rendered or to be rendered;

32 (iii) A policy of insurance issued or to be issued;

33 (iv) A secondary obligation incurred or to be incurred;

34 (v) Energy provided or to be provided;

35 (vi) The use or hire of a vessel under a charter or other contract;

36 (vii) Arising out of the use of a credit or charge card or information contained on or for use
37 with the card; or

38 (viii) As winnings in a lottery or other game of chance operated or sponsored by a state,
39 governmental unit of a state, or person licensed or authorized to operate the game by a state or

1 governmental unit of a state; and

2 b. Health care insurance receivables; and

3 (b) Shall not include:

4 a. Rights to payment evidenced by chattel paper or an instrument;

5 b. Commercial tort claims;

6 c. Deposit accounts;

7 d. Investment property;

8 e. Letter-of-credit rights or letters of credit; or

9 f. Rights to payment for moneys or funds advanced or sold, other than rights arising out of
10 the use of a credit or charge card or information contained on or for use with the card;

11 (2) "Accounts receivable purchase transaction", any transaction in which the business
12 forwards or otherwise sells to the provider all or a portion of the business's accounts or payment
13 intangibles at a discount to their expected value. For purposes of this section, the provider's
14 characterization of an accounts receivable purchase transaction as a purchase is conclusive that the
15 accounts receivable purchase transaction is not a loan or a transaction for the use, forbearance, or
16 detention of moneys;

17 (3) "Broker", any person who, for compensation or the expectation of compensation, obtains
18 a commercial financing product or an offer for a commercial financing product from a third party
19 that would, if executed, be binding upon that third party and communicates that offer to a business
20 located in this state. The term "broker" excludes a "provider", or any individual or entity whose
21 compensation is not based or dependent upon the terms of the specific commercial financing
22 product obtained or offered;

23 (4) "Business", an individual or group of individuals, sole proprietorship, corporation,
24 limited liability company, trust, estate, cooperative, association, or limited or general partnership
25 engaged in a business activity;

26 (5) "Business purpose transaction", any transaction where the proceeds are provided to a
27 business or are intended to be used to carry on a business and not for personal, family, or household
28 purposes. For purposes of determining whether a transaction is a business purpose transaction, the
29 provider may rely on any written statement of intended purpose signed by the business. The
30 statement may be a separate statement or may be contained in an application, agreement, or other
31 document signed by the business or the business owner or owners;

32 (6) "Commercial financing product", any commercial loan, accounts receivable purchase
33 transaction, commercial open-end credit plan, or each to the extent the transaction is a business
34 purpose transaction;

35 (7) "Commercial loan", a loan to a business, whether secured or unsecured;

36 (8) "Commercial open-end credit plan", commercial financing extended by any provider
37 under a plan in which:

38 (a) The provider reasonably contemplates repeat transactions; and

39 (b) The amount of financing that may be extended to the business during the term of the

1 plan, up to any limit set by the provider, is generally made available to the extent that any
2 outstanding balance is repaid;

3 (9) "Depository institution", any of the following:

4 (a) A bank, trust company, or industrial loan company doing business under the authority of,
5 or in accordance with, a license, certificate, or charter issued by the United States, this state, or any
6 other state, district, territory, or commonwealth of the United States that is authorized to transact
7 business in this state;

8 (b) A federally chartered savings and loan association, federal savings bank, or federal
9 credit union that is authorized to transact business in this state; and

10 (c) A savings and loan association, savings bank, or credit union organized under the laws
11 of this or any other state that is authorized to transact business in this state;

12 (10) "General intangible", any personal property, including things in action, other than
13 accounts, chattel paper, commercial tort claims, deposit accounts, documents, goods, instruments,
14 investment property, letter-of-credit rights, letters of credit, moneys, and oil, gas, or other minerals
15 before extraction. "General intangible" also includes payment intangibles and software;

16 (11) "Payment intangible", a general intangible under which the account debtor's principal
17 obligation is a monetary obligation;

18 (12) "Provider", a person who consummates more than five commercial financing products
19 to a business located in this state in any calendar year. "Provider" also includes a person who enters
20 into a written agreement with a depository institution to arrange for the extension of a commercial
21 financing product by the depository institution to a business via an online lending platform
22 administered by the person. The fact that a provider extends a specific offer for a commercial
23 financing product on behalf of a depository institution shall not be construed to mean that the
24 provider engaged in lending or financing or originated such loan or financing.

25 3. (1) A provider who consummates a commercial financing product shall disclose the
26 terms of the commercial financing product as required by this section. The disclosures shall be
27 provided at or before consummation of the transaction. Only one disclosure is required for each
28 commercial financing product, and a disclosure is not required as a result of the modification,
29 forbearance, or change to a consummated commercial financing product.

30 (2) A provider shall disclose the following in connection with each commercial financing
31 product:

32 (a) The total amount of funds provided to the business under the terms of the commercial
33 financing product. This disclosure shall be labeled "Total Amount of Funds Provided";

34 (b) The total amount of funds disbursed to the business under the terms of the commercial
35 financing product, if less than the total amount of funds provided, as a result of any fees deducted or
36 withheld at disbursement and any amount paid to a third party on behalf of the business. This
37 disclosure shall be labeled "Total Amount of Funds Disbursed";

38 (c) The total amount to be paid to the provider pursuant to the commercial financing product
39 agreement. This disclosure shall be labeled "Total of Payments";

1 (d) The total dollar cost of the commercial financing product under the terms of the
2 agreement, derived by subtracting the total amount of funds provided from the total of payments.
3 This calculation shall include any fees or charges deducted by the provider from the "Total Amount
4 of Funds Provided". This disclosure shall be labeled "Total Dollar Cost of Financing";

5 (e) The manner, frequency, and amount of each payment. This disclosure shall be labeled
6 "Payments". If the payments may vary, the provider shall instead disclose the manner, frequency,
7 and the estimated amount of the initial payment labeled "Estimated Payments", and the commercial
8 financing product agreement shall include a description of the methodology for calculating any
9 variable payment and the circumstances when payments may vary; and

10 (f) A statement of whether there are any costs or discounts associated with prepayment of
11 the commercial financing product, including a reference to the paragraph in the agreement that
12 creates the contractual rights of the parties related to prepayment. This disclosure shall be labeled
13 "Prepayment".

14 4. This section shall not apply to the following:

15 (1) A provider that is a depository institution or a subsidiary or service corporation that is:

16 (a) Owned and controlled by a depository institution; and

17 (b) Regulated by a federal banking agency;

18 (2) A provider that is a lender regulated under the federal Farm Credit Act, 12 U.S.C. Sec.
19 2001 et seq.;

20 (3) A commercial financing product that is:

21 (a) Secured by real property;

22 (b) A lease; or

23 (c) A purchase-money obligation that is incurred as all or part of the price of the collateral
24 or for value given to enable the business to acquire rights in or the use of the collateral if the value is
25 in fact so used;

26 (4) A commercial financing product in which the recipient is a motor vehicle dealer or an
27 affiliate of such a dealer, or a vehicle rental company, or an affiliate of such a company, pursuant to
28 a commercial loan or commercial open-end credit plan of at least fifty thousand dollars or a
29 commercial financing product offered by a person in connection with the sale or lease of products or
30 services that such person manufactures, licenses, or distributes, or whose parent company or any of
31 its directly or indirectly owned and controlled subsidiaries manufactures, licenses, or distributes;

32 (5) A commercial financing product that is a factoring transaction, purchase, sale, advance,
33 or similar of accounts receivables owed to a health care provider because of a patient's personal
34 injury treated by the health care provider;

35 (6) A provider who is licensed as a money transmitter in accordance with a license,
36 certificate, or charter issued by this state, or any other state, district, territory, or commonwealth of
37 the United States; or

38 (7) A provider who consummates no more than five commercial financing products in this
39 state in a twelve-month period.

1 5. (1) No person shall engage in business as a broker for commercial financing within this
2 state, for compensation, unless prior to conducting such business, the person has filed a registration
3 with the division of finance within the department of commerce and insurance and has on file a
4 good and sufficient bond as specified in this subsection. The registration shall be effective upon
5 receipt by the division of finance of a completed registration form and the required registration fee,
6 and shall remain effective until the time of renewal.

7 (2) After filing an initial registration form, a broker shall file, on or before January thirty-
8 first of each year, a renewal registration form along with the required renewal registration fee.

9 (3) The broker shall pay a one-hundred-dollar registration fee upon the filing of an initial
10 registration and a fifty-dollar renewal fee upon the filing of a renewal registration.

11 (4) The registration form required by this subsection shall include:

12 (a) The name of the broker;

13 (b) The name in which the broker is transacted if different from that stated in paragraph (a)
14 of this subdivision;

15 (c) The address of the broker's principal office, which may be outside this state;

16 (d) Whether any officer, director, manager, operator, or principal of the broker has been
17 convicted of a felony involving an act of fraud, dishonesty, breach of trust, or money laundering;
18 and

19 (e) The name and address in this state of a designated agent upon whom service of process
20 may be made.

21 (5) If information in a registration form changes or otherwise becomes inaccurate after
22 filing, the broker shall not be required to file a further registration form prior to the time of renewal.

23 (6) Each broker shall obtain a surety bond issued by a surety company authorized to do
24 business in this state. The amount of the bond shall be ten thousand dollars. The bond shall be in
25 favor of the state of Missouri. Any person damaged by the broker's breach of contract or of any
26 obligation arising therefrom, or by any violation of this section, may bring an action against the
27 bond to recover damages suffered. The aggregate liability of the surety shall be only for actual
28 damages and in no event shall exceed the amount of the bond.

29 (7) Employees regularly employed by a broker who has complied with this subsection shall
30 not be required to file a registration or obtain a surety bond when acting within the scope of their
31 employment for the broker.

32 6. (1) Any person who violates any provision of this section shall be punished by a fine of
33 five hundred dollars per incident, not to exceed twenty thousand dollars for all aggregated violations
34 arising from the use of the transaction documentation or materials found to be in violation of this
35 section. Any person who violates any provision of this section after receiving written notice of a
36 prior violation from the attorney general shall be punished by a fine of one thousand dollars per
37 incident, not to exceed fifty thousand dollars for all aggregated violations arising from the use of the
38 transaction documentation or materials found to be in violation of this section.

39 (2) Violation of any provision of this section shall not affect the enforceability or validity of

1 the underlying agreement.

2 (3) This section shall not create a private right of action against any person or other entity
 3 based upon compliance or noncompliance with its provisions.

4 (4) Authority to enforce compliance with this section is vested exclusively in the attorney
 5 general of this state.

6 7. The requirements of subsections 3 and 5 of this section shall take effect upon the earlier
 7 of:

8 (1) Six months after the division of finance finalizes promulgating rules, if the division
 9 intends to promulgate rules; or

10 (2) February 28, 2024, if the division does not promulgate rules.

11 8. The division of finance may promulgate rules implementing this section. If the division
 12 of finance intends to promulgate rules, it shall declare its intent to do so no later than February 28,
 13 2024. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under
 14 the authority delegated in this section shall become effective only if it complies with and is subject
 15 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter
 16 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter
 17 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held
 18 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
 19 August 28, 2023, shall be invalid and void.

20 436.550. Sections 436.550 to 436.572 shall be known and may be cited as the "Consumer
 21 Legal Funding Act".

22 436.552. As used in sections 436.550 to 436.572, the following terms mean:

23 (1) "Advertise", publishing or disseminating any written, electronic, or printed
 24 communication or any communication by means of recorded telephone messages or transmitted on
 25 radio, television, the internet, or similar communications media, including film strips, motion
 26 pictures, and videos, published, disseminated, circulated, or placed before the public, directly or
 27 indirectly, for the purpose of inducing a consumer to enter into a consumer legal funding contract;

28 (2) "Affiliate", as defined in section 515.505;

29 (3) "Charges", the amount of moneys to be paid to the consumer legal funding company by
 30 or on behalf of the consumer above the funded amount provided by or on behalf of the company to a
 31 consumer under sections 436.550 to 436.572. Charges include all administrative, origination,
 32 underwriting, or other fees, no matter how denominated;

33 (4) "Commissioner", the commissioner of the division of finance within the department of
 34 commerce and insurance;

35 (5) "Consumer", a natural person who has a legal claim and resides or is domiciled in
 36 Missouri;

37 (6) "Consumer legal funding company" or "company", a person or entity that enters into a
 38 consumer legal funding contract with a consumer for an amount less than five hundred thousand
 39 dollars. The term shall not include:

40 (a) An immediate family member of the consumer;

41 (b) A bank, lender, financing entity, or other special purpose entity;

- 1 a. That provides financing to a consumer legal funding company; or
- 2 b. To which a consumer legal funding company grants a security interest or transfers any
- 3 rights or interest in a consumer legal funding; or
- 4 (c) An attorney or accountant who provides services to a consumer;
- 5 (7) "Consumer legal funding contract", a nonrecourse contractual transaction in which a
- 6 consumer legal funding company purchases and a consumer assigns to the company a contingent
- 7 right to receive an amount of the potential proceeds of a settlement, judgment, award, or verdict
- 8 obtained in the consumer's legal claim, so long as all of the following apply:
- 9 (a) The consumer, at their sole discretion, shall use the funds to address personal needs or
- 10 household expenses;
- 11 (b) The consumer shall not use the funds to pay for attorneys' fees, legal filings, legal
- 12 marketing, legal document preparation or drafting, appeals, expert testimony, or other litigation-
- 13 related expenses;
- 14 (8) "Division", the division of finance within the department of commerce and insurance;
- 15 (9) "Funded amount", the amount of moneys provided to or on behalf of the consumer in the
- 16 consumer legal funding contract. "Funded amount" shall not include charges;
- 17 (10) "Funding date", the date on which the funded amount is transferred to the consumer by
- 18 the consumer legal funding company either by personal delivery, via wire, automated clearing house
- 19 transfer, or other electronic means, or by insured, certified, or registered United States mail;
- 20 (11) "Immediate family member", a parent; sibling; child by blood, adoption, or marriage;
- 21 spouse; grandparent; or grandchild;
- 22 (12) "Legal claim", a bona fide civil claim or cause of action;
- 23 (13) "Medical provider", any person or business providing medical services of any kind to a
- 24 consumer including, but not limited to, physicians, nurse practitioners, hospitals, physical therapists,
- 25 chiropractors, or radiologists as well as any of their employees or contractors or any practice groups,
- 26 partnerships, or incorporations of the same;
- 27 (14) "Resolution date", the date the amount funded to the consumer, plus the agreed-upon
- 28 charges, is delivered to the consumer legal funding company.
- 29 436.554. 1. All consumer legal funding contracts shall meet the following requirements:
- 30 (1) The contract shall be completely filled in when presented to the consumer for signature;
- 31 (2) The contract shall contain, in bold and boxed type, a right of rescission allowing the
- 32 consumer to cancel the contract without penalty or further obligation if, within ten business days
- 33 after the funding date, the consumer either:
- 34 (a) Returns the full amount of the disbursed funds to the consumer legal funding company
- 35 by delivering the company's uncashed check to the company's office in person; or
- 36 (b) Mails a notice of cancellation by insured, certified, or registered United States mail to
- 37 the address specified in the contract and includes a return of the full amount of disbursed funds in
- 38 such mailing in the form of the company's uncashed check or a registered or certified check or
- 39 money order;

1 (3) The contract shall contain the initials of the consumer on each page; and

2 (4) The contract shall require the consumer to give nonrevocable written direction to the
3 consumer's attorney requiring the attorney to notify the consumer legal funding company when the
4 legal claim has been resolved. Once the consumer legal funding company confirms in writing the
5 amount due under the contract, the consumer's attorney shall pay, from the proceeds of the
6 resolution of the legal claim, the consumer legal funding company the amount due within ten
7 business days.

8 2. The consumer legal funding company shall provide the consumer's attorney with a
9 written notification of the consumer legal funding contract provided to the consumer within three
10 business days of the funding date by way of postal mail, courier service, facsimile, or other means of
11 proof of delivery method.

12 3. A consumer legal funding contract shall be entered into only if the contract involves an
13 existing legal claim in which the consumer is represented by an attorney.

14 436.556. No consumer legal funding company shall:

15 (1) Pay or offer to pay commissions, referral fees, or other forms of consideration to any
16 attorney, law firm, medical provider, chiropractor, or physical therapist or any of their employees for
17 referring a consumer to the company;

18 (2) Accept any commissions, referral fees, rebates, or other forms of consideration from an
19 attorney, law firm, medical provider, chiropractor, or physical therapist or any of their employees;

20 (3) Intentionally advertise materially false or misleading information regarding its products
21 or services;

22 (4) Refer, in furtherance of an initial legal funding, a customer or potential customer to a
23 specific attorney, law firm, medical provider, chiropractor, or physical therapist or any of their
24 employees. However, the company may refer the customer to a local or state bar association referral
25 service if a customer needs legal representation;

26 (5) Fail to promptly supply a copy of the executed contract to the consumer's attorney;

27 (6) Knowingly provide funding to a consumer who has previously assigned or sold a portion
28 of the right to proceeds from the consumer's legal claim unless the consumer legal funding company
29 pays or purchases the entire unsatisfied funded amount and contracted charges from the prior
30 consumer legal funding company or the two companies agree to a lesser amount in writing.
31 However, multiple companies may agree to contemporaneously provide funding to a consumer,
32 provided that the consumer and the consumer's attorney consent to the arrangement in writing;

33 (7) Receive any right to or make any decisions with respect to the conduct of the underlying
34 legal claim or any settlement or resolution thereof. The right to make such decisions shall remain
35 solely with the consumer and the attorney in the legal claim;

36 (8) Knowingly pay or offer to pay for court costs, filing fees, or attorney's fees either during
37 or after the resolution of the legal claim by using funds from the consumer legal funding contract.
38 The consumer legal funding contract shall include a provision advising the consumer that the
39 funding shall not be used for such costs or fees; or

1 (9) Sell a consumer litigation funding contract in whole or in part to a third party. However,
2 if the consumer legal funding company retains responsibility for collecting payment, administering,
3 and otherwise enforcing the consumer legal funding contract, the provisions of this subdivision shall
4 not apply to any of the following:

5 (a) An assignment to a wholly owned subsidiary of the consumer legal funding company;

6 (b) An assignment to an affiliate of the consumer legal funding company that is under
7 common control;

8 (c) The granting of a security interest under Article 9 of the Uniform Commercial Code, or
9 as otherwise permitted by law.

10 436.558. 1. The contracted amount to be paid to the consumer legal funding company shall
11 be set as a predetermined amount based upon intervals of time from the funding date to the
12 resolution date and shall not be determined as a percentage of the recovery from the legal claim.

13 2. No consumer legal funding contract shall be valid if its terms exceed a period of forty-
14 eight months. No consumer legal funding contract shall be automatically renewed.

15 436.560. All consumer legal funding contracts shall contain the disclosures specified in this
16 section, which shall constitute material terms of the contract. Unless otherwise specified, the
17 disclosures shall be typed in at least twelve-point bold-type font and be placed clearly and
18 conspicuously within the contract, as follows:

19 (1) On the front page under appropriate headings, language specifying:

20 (a) The funded amount to be paid to the consumer by the consumer legal funding company;

21 (b) An itemization of one-time charges;

22 (c) The total amount to be assigned by the consumer to the company, including the funded
23 amount and all charges; and

24 (d) A payment schedule to include the funded amount and charges, listing all dates and the
25 amount due at the end of each six-month period from the funding date until the date the maximum
26 amount due to the company by the consumer to satisfy the amount due pursuant to the contract;

27 (2) Within the body of the contract, in accordance with the provisions under subdivision (2)
28 of subsection 1 of section 436.554: "Consumer's Right to Cancellation: You may cancel this contract
29 without penalty or further obligation within ten business days after the funding date if you either:

30 (a) Return the full amount of the disbursed funds to the consumer legal funding company by
31 delivering the company's uncashed check to the company's office in person; or

32 (b) Mail a notice of cancellation by insured, certified, or registered United States mail to the
33 company at the address specified in the contract and include a return of the full amount of disbursed
34 funds in such mailing in the form of the company's uncashed check or a registered or certified check
35 or money order.";

36 (3) Within the body of the contract, a statement that the company has no influence over any
37 aspect of the consumer's legal claim or any settlement or resolution of the consumer's legal claim
38 and that all decisions related to the consumer's legal claim remain solely with the consumer and the
39 consumer's attorney;

(4) Within the body of the contract, in all capital letters and in at least twelve-point bold-type font contained within a box: "THE FUNDED AMOUNT AND AGREED-UPON CHARGES SHALL BE PAID ONLY FROM THE PROCEEDS OF YOUR LEGAL CLAIM AND SHALL BE PAID ONLY TO THE EXTENT THAT THERE ARE AVAILABLE PROCEEDS FROM YOUR LEGAL CLAIM. IF THERE IS NO RECOVERY OF ANY DAMAGES FROM YOUR LEGAL CLAIM OR IF THERE IS NOT ENOUGH MONEY TO PAY BACK THE CONSUMER LEGAL FUNDING COMPANY IN FULL, YOU WILL NOT BE OBLIGATED TO PAY THE CONSUMER LEGAL FUNDING COMPANY ANYTHING IN EXCESS OF YOUR RECOVERY UNLESS YOU HAVE VIOLATED THIS CONTRACT. YOU WILL NOT OWE (INSERT NAME OF THE CONSUMER LEGAL FUNDING COMPANY) ANYTHING IF THERE ARE NO PROCEEDS FROM YOUR LEGAL CLAIM UNLESS YOU OR YOUR ATTORNEY HAVE VIOLATED ANY MATERIAL TERM OF THIS CONTRACT OR UNLESS YOU HAVE COMMITTED FRAUD AGAINST THE CONSUMER LEGAL FUNDING COMPANY."; and

(5) Located immediately above the place on the contract where the consumer's signature is required, in twelve-point font: "Do not sign this contract before you read it completely or if it contains any blank spaces. You are entitled to a completely filled-in copy of the contract. Before you sign this contract, you should obtain the advice of an attorney. Depending on the circumstances, you may want to consult a tax, public or private benefits planning, or financial professional. You acknowledge that your attorney in the legal claim has provided no tax, public or private benefit planning, or financial advice regarding this transaction."

436.562. 1. Nothing in sections 436.550 to 436.572 shall be construed to restrict the exercise of powers or the performance of the duties of the state attorney general that he or she is authorized to exercise or perform by law.

2. If a court of competent jurisdiction determines that a consumer legal funding company has intentionally violated the provisions of sections 436.550 to 436.572 in a consumer legal funding contract, the consumer legal funding contract shall be voided.

436.564. 1. The contingent right to receive an amount of the potential proceeds of a legal claim is assignable.

2. Nothing contained in sections 436.550 to 436.572 shall be construed to cause any consumer legal funding contract conforming to sections 436.550 436.572 to be deemed a loan or to be subject to any of the provisions governing loans. A consumer legal funding contract that complies with sections 436.550 to 436.572 is not subject to any other statutory or regulatory provisions governing loans or investment contracts. To the extent that sections 436.550 to 436.572 conflict with any other law, such sections shall supersede the other law for the purposes of regulating consumer legal funding in this state.

3. Only attorney's liens related to the legal claim, Medicare, or other statutory liens related to the legal claim shall take priority over claims to proceeds from the consumer legal funding company. All other liens and claims shall take priority by normal operation of law.

1 4. No consumer legal funding company shall report a consumer to a credit reporting agency
2 if insufficient funds remain from the net proceeds to repay the company.

3 436.566. An attorney or law firm retained by the consumer in the legal claim shall not have
4 a financial interest in the consumer legal funding company offering consumer legal funding to that
5 consumer. Additionally, any practicing attorney who has referred the consumer to his or her
6 retained attorney shall not have a financial interest in the consumer legal funding company offering
7 consumer legal funding to that consumer.

8 436.568. No communication between the consumer's attorney in the legal claim and the
9 consumer legal funding company necessary to ascertain the status of a legal claim or a legal claim's
10 expected value shall be discoverable by a party with whom the claim is filed or against whom the
11 claim is asserted. This section does not limit, waive, or abrogate the scope or nature of any statutory
12 or common-law privilege, including the work-product doctrine and attorney-client privilege.

13 436.570. 1. A consumer legal funding company shall not engage in the business of
14 consumer legal funding in this state unless it has first obtained a license from the division of
15 finance.

16 2. A consumer legal funding company's initial or renewal license application shall be in
17 writing, made under oath, and on a form provided by the commissioner.

18 3. Every consumer legal funding company, at the time of filing a license application, shall
19 pay the sum of five hundred fifty dollars for the period ending the thirtieth day of June next
20 following the date of payment; thereafter, a like fee shall be paid on or before June thirtieth of each
21 year and shall be credited to the division of finance fund established under section 361.170.

22 4. A consumer legal funding license shall not be issued unless the division of finance, upon
23 investigation, finds that the character and fitness of the applicant company, and of the officers and
24 directors thereof, are such as to warrant belief that the business shall operate honestly and fairly
25 within the purposes of sections 436.550 to 436.572.

26 5. Every applicant shall also, at the time of filing such application, file a bond satisfactory to
27 the division of finance in an amount not to exceed fifty thousand dollars. The bond shall provide
28 that the applicant shall faithfully conform to and abide by the provisions of sections 436.550 to
29 436.572, to all rules lawfully made by the commissioner under sections 436.550 to 436.572, and the
30 bond shall act as a surety for any person or the state for any and all amount of moneys that may
31 become due or owing from the applicant under and by virtue of sections 436.550 to 436.572, which
32 shall include the result of any action that occurred while the bond was in place for the applicable
33 period of limitations under statute and so long as the bond is not exhausted by valid claims.

34 6. If an action is commenced on a licensee's bond, the commissioner may require the filing
35 of a new bond. Immediately upon any recovery on the bond, the licensee shall file a new bond.

36 7. To ensure the effective supervision and enforcement of sections 436.550 to 436.572, the
37 commissioner may, under chapter 536:

1 (1) Deny, suspend, revoke, condition, or decline to renew a license for a violation of
2 sections 436.550 to 436.572, rules issued under sections 436.550 to 436.572, or order or directive
3 entered under sections 436.550 to 436.572;

4 (2) Deny, suspend, revoke, condition, or decline to renew a license if an applicant or
5 licensee fails at any to time meet the requirements of sections 436.550 to 436.572, or withholds
6 information or makes a material misstatement in an application for a license or renewal of a license;

7 (3) Order restitution against persons subject to sections 436.550 to 436.572 for violations of
8 sections 436.550 to 436.572; and

9 (4) Order or direct such other affirmative action as the commissioner deems necessary.

10 8. Any letter issued by the commissioner and declaring grounds for denying or declining to
11 grant or renew a license may be appealed to the circuit court of Cole County. All other matters
12 presenting a contested case involving a licensee may be heard by the commissioner under chapter
13 536.

14 9. Notwithstanding the prior approval requirement of subsection 1 of this section, a
15 consumer legal funding company that has applied with the division of finance between the effective
16 date of sections 436.550 to 436.572, or when the division of finance has made applications available
17 to the public, whichever is later, and six months thereafter may engage in consumer legal funding
18 while the license application of the company or an affiliate of the company is awaiting approval by
19 the division of finance and until such time as the applicant has pursued all appellate remedies and
20 procedures for any denial of such application. All funding contracts in effect prior to the effective
21 date of sections 436.550 to 436.572 are not subject to the terms of sections 436.550 to 436.572.

22 10. If it appears to the commissioner that any consumer legal funding company is failing,
23 refusing, or neglecting to make a good faith effort to comply with the provisions of sections 436.550
24 to 436.572, or any laws or rules relating to consumer legal funding, the commissioner may issue an
25 order to cease and desist, which may be enforceable by a civil penalty of not more than one
26 thousand dollars per day for each day that the neglect, failure, or refusal continues. The penalty
27 shall be assessed and collected by the commissioner. In determining the amount of the penalty, the
28 commissioner shall take into account the appropriateness of the penalty with respect to the gravity
29 of the violation, any history of previous violations, and any other matters justice may require.

30 11. If any consumer legal funding company fails, refuses, or neglects to comply with the
31 provisions of sections 436.550 to 436.572, or of any laws or rules relating to consumer legal
32 funding, its license may be suspended or revoked by order of the commissioner after a hearing
33 before said commissioner on any order to show cause why such order of suspension or revocation
34 should not be entered and that specifies the grounds therefor. Such an order shall be served on the
35 particular consumer legal funding company at least ten days prior to the hearing. Any order made
36 and entered by the commissioner may be appealed to the circuit court of Cole County.

37 12. (1) The division shall conduct an examination of each consumer funding company at
38 least once every twenty-four months and at such other times as the commissioner may determine.

1 (2) For any such investigation or examination, the commissioner and his or her
2 representatives shall have free and immediate access to the place or places of business and the books
3 and records, and shall have the authority to place under oath all persons whose testimony may be
4 required relative to the affairs and business of the consumer legal funding company.

5 (3) The commissioner may also make such special investigations or examination as the
6 commissioner deems necessary to determine whether any consumer legal funding company has
7 violated any of the provisions of sections 436.550 to 436.572 or rules promulgated thereunder, and
8 the commissioner may assess the reasonable costs of any investigation or examination incurred by
9 the division to the company.

10 13. The division of finance shall have the authority to promulgate rules to carry out the
11 provisions of sections 436.550 to 436.572. Any rule or portion of a rule, as that term is defined in
12 section 536.010, that is created under the authority delegated in this section shall become effective
13 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable,
14 section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested
15 with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to
16 disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking
17 authority and any rule proposed or adopted after August 28, 2023, shall be invalid and void.

18 436.572. A consumer legal funding contract is a fact subject to the usual rules of discovery.

19 475.040. If it appears to the court, acting on the petition of the guardian, the conservator, the
20 respondent or of a ward over the age of fourteen, or on its own motion, at any time before the
21 termination of the guardianship or conservatorship, that the proceeding was commenced in the
22 wrong county, or that the domicile ~~[or residence]~~ of the ward or protectee has ~~[been]~~ changed to
23 another county, or in case of conservatorship of the estate that it would be for the best interest of the
24 ward or disabled person and his estate, the court may order the proceeding with all papers, files and
25 a transcript of the proceedings transferred to the probate division of the circuit court of another
26 county. The court to which the transfer is made shall take jurisdiction of the case, place the
27 transcript of record and proceed to the final settlement of the case as if the appointment originally
28 had been made by it.

29 475.275. 1. The conservator, at the time of filing any settlement with the court, shall exhibit
30 all securities or investments held by him to an officer of the bank or other depository wherein the
31 securities or investments are held for safekeeping or to an authorized representative of the
32 corporation which is surety on his bond, or to the judge or clerk of a court of record in this state, or
33 upon request of the conservator or other interested party, to any other reputable person designated by
34 the court, who shall certify in writing that he has examined the securities or investments and
35 identified them with those described in the account and shall note any omission or discrepancies. If
36 the depository is the conservator, the certifying officer shall not be the officer verifying the account.
37 The conservator may exhibit the securities or investments to the judge of the court, who shall
38 endorse on the account and copy thereof, a certificate that the securities or investments shown
39 therein as held by the conservator were each in fact exhibited to him and that those exhibited to him

were the same as those in the account and noting any omission or discrepancy. The certificate, and the certificate of an official of the bank in which are deposited any funds for which the conservator is accountable, showing the amount on deposit, shall be prepared and signed in duplicate and one of each shall be filed by the conservator with his account.

2. (1) As used in and pursuant to this section, a "pooled account" is an account within the meaning of this section and means any account maintained by a fiduciary for more than one principal and is established for the purpose of managing and investing and to manage and invest the funds of such principals. No fiduciary shall or may place funds into a pooled account unless the account meets the following criteria:

- (a) The pooled account is maintained at a bank or savings and loan institution;
- (b) The pooled account is titled in such a way as to reflect that the account is being held by a fiduciary in a custodial capacity;
- (c) The fiduciary maintains, or causes to be maintained, records containing information as to the name and ownership interest of each principal in the pooled account;
- (d) The fiduciary's records contain a statement of all accretions and disbursements; and
- (e) The fiduciary's records are maintained in the ordinary course of business and in good faith.

(2) The public administrator of any county ~~[with a charter form of government and with more than six hundred thousand but less than seven hundred thousand inhabitants]~~ serving as a conservator or personal representative and using and utilizing pooled accounts for the investing~~;~~ investment; and management of ~~[conservatorship]~~ estate funds shall have any such accounts ~~[audited]~~ examined on at least an annual basis ~~[and no less than one time per year]~~ by an independent certified public accountant. ~~[The audit provided shall review the records of the receipts and disbursements of each estate account. Upon completion of the investigation, the certified public accountant shall render a report to the judge of record in this state showing the receipts, disbursements, and account balances as to each estate and as well as the total assets on deposit in the pooled account on the last calendar day of each year.]~~ The examination shall:

- (a) Compare the pooled account's year-end bank statement and obtain the reconciliation of the pooled account from the bank statement to the fiduciary's general ledger balance on the same day;
 - (b) Reconcile the total of individual accounts in the fiduciary's records to the reconciled pooled account's balance and note any difference;
 - (c) Confirm if collateral is pledged to secure amounts on deposit in the pooled account in excess of Federal Deposit Insurance Corporation coverage; and
 - (d) Confirm the account balance with the financial institution.
- (3) A public administrator using and utilizing pooled accounts as provided by this section shall certify by affidavit that he or she has met the conditions for establishing a pooled account as set forth in subdivision (2) of this subsection.

(4) The county shall provide for the expense of ~~[such audit]~~ the report. If and where the public administrator has provided the judge with ~~[the audit]~~ the report pursuant to and required by this subsection and section, the public administrator shall not be required to obtain the written ~~[certification]~~ verification of an officer of a bank or other depository on any estate asset maintained within the pooled account as otherwise required in and under subsection 1 of this section.

~~[361.700. 1. Sections 361.700 to 361.727 shall be known and may be cited as the "Sale of Checks Law".~~

~~2. For the purposes of sections 361.700 to 361.727, the following terms mean:~~

~~(1) "Check", any instrument for the transmission or payment of money and shall also include any electronic means of transmitting or paying money;~~

~~(2) "Director", the director of the division of finance;~~

~~(3) "Licensee", any person duly licensed by the director pursuant to sections 361.700 to 361.727;~~

~~(4) "Person", any individual, partnership, association, trust or corporation.]~~

~~[361.705. 1. No person shall issue checks in this state for a consideration without first obtaining a license from the director; provided, however, that sections 361.700 to 361.727 shall not apply to the receipt of money by an incorporated telegraph company at any office or agency of such company for immediate transmission by telegraph nor to any bank, trust company, savings and loan association, credit union, or agency of the United States government.~~

~~2. Any person who violates any of the provisions of sections 361.700 to 361.727 or attempts to sell or issue checks without having first obtained a license from the director shall be deemed guilty of a class A misdemeanor.]~~

~~[361.707. 1. Each application for a license pursuant to sections 361.700 to 361.727 shall be in writing and under oath to the director in such form as he may prescribe. The application shall state the full name and business address of:~~

~~(1) The proprietor, if the applicant is an individual;~~

~~(2) Every member, if the applicant is a partnership or association;~~

~~(3) The corporation and each officer and director thereof, if the applicant is a corporation.~~

~~2. Each application for a license shall be accompanied by an investigation fee of three hundred dollars. If the license is granted the investigation fee shall be applied to the license fee for the first year. No investigation fee shall be refunded.]~~

~~[361.711. Each application for a license shall be accompanied by a corporate surety bond in the principal sum of one hundred thousand dollars. The bond shall be in form satisfactory to the director and shall be issued by a bonding company or insurance company authorized to do business in this state, to secure the faithful performance of the obligations of the applicant and the agents and subagents of the applicant with respect to the receipt, transmission, and payment of money in connection with the sale or issuance of checks and also to pay the costs incurred by the division to remedy any breach of the obligations of the applicant subject to the bond or to pay examination costs of the division owed and not paid by the applicant. Upon license renewal, the required amount of bond shall be as follows:~~

(1) For all licensees selling payment instruments or stored value cards, five times the high outstanding balance from the previous year with a minimum of one hundred thousand dollars and a maximum of one million dollars;

(2) For all licensees receiving money for transmission, five times the greatest amount transmitted in a single day during the previous year with a minimum of one hundred thousand dollars and a maximum of one million dollars.

If in the opinion of the director the bond shall at any time appear to be inadequate, insecure, exhausted, or otherwise doubtful, additional bond in form and with surety satisfactory to the director shall be filed within fifteen days after notice of the requirement is given to the licensee by the director. An applicant or licensee may, in lieu of filing any bond required under this section, provide the director with an irrevocable letter of credit, as defined in section 400.5-103, issued by any state or federal financial institution. Whenever in the director's judgment it is necessary or expedient, the director may perform a special examination of any person licensed under sections 361.700 to 361.727 with all authority under section 361.160 as though the licensee were a bank. The cost of such examination shall be paid by the licensee.]

[361.715. 1. Upon the filing of the application, the filing of a certified audit, the payment of the investigation fee and the approval by the director of the necessary bond, the director shall cause, investigate, and determine whether the character, responsibility, and general fitness of the principals of the applicant or any affiliates are such as to command confidence and warrant belief that the business of the applicant will be conducted honestly and efficiently and that the applicant is in compliance with all other applicable state and federal laws. If satisfied, the director shall issue to the applicant a license pursuant to the provisions of sections 361.700 to 361.727. In processing a renewal license, the director shall require the same information and follow the same procedures described in this subsection.

2. Each licensee shall pay to the director before the issuance of the license, and annually thereafter on or before April fifteenth of each year, a license fee of three hundred dollars.

3. The director may assess a reasonable charge, not to exceed three hundred dollars, for any application to amend and reissue an existing license.]

[361.718. Every licensee shall at all times have on demand deposit in a federally insured depository institution or in the form of cash on hand or in the hands of his agents or in readily marketable securities an amount equal to all outstanding unpaid checks sold by him or his agents in Missouri, in addition to the amount of his bond. Upon demand by the director, licensees must immediately provide proof of such funds or securities. The director may make such demand as often as reasonably necessary and shall make such demand to each licensee, without prior notice, at least twice each license year.]

[361.720. Each licensee may conduct business at one or more locations within this state and by means of employees, agents, subagents or representatives as such licensee may designate. No license under sections 361.700 to 361.727 shall be required of any such employee, agent, subagent or representative who

1 sells checks in behalf of a licensee. Each such agent, subagent or representative
 2 shall upon demand transfer and deliver to the licensee the proceeds of the sale of
 3 licensee's checks less the fees, if any, due such agent, subagent or representative.]
 4

5 [361.723. Each licensee shall file with the director annually on or before
 6 April fifteenth of each year a statement listing the locations of the offices of the
 7 licensee and the names and locations of the agents or subagents authorized by the
 8 licensee to engage in the sale of checks of which the licensee is the issuer.]
 9

10 [361.725. The director may at any time suspend or revoke a license, for
 11 any reason he might refuse to grant a license, for failure to pay an annual fee or for
 12 a violation of any provision of sections 361.700 to 361.727. No license shall be
 13 denied, revoked or suspended except on ten days' notice to the applicant or
 14 licensee. Upon receipt of such notice the applicant or licensee may, within five
 15 days of such receipt, make written demand for a hearing. The director shall
 16 thereafter hear and determine the matter in accordance with the provisions of
 17 chapter 536.]
 18

19 [361.727. The director shall issue regulations necessary to carry out the
 20 intent and purposes of sections 361.700 to 361.727, pursuant to the provisions of
 21 section 361.105 and chapter 536.]

22 [469.409. 1. Any claim for breach of a trustee's duty to impartially
 23 administer a trust related, directly or indirectly, to an adjustment made by a
 24 fiduciary to the allocation between principal and income pursuant to subsection 1
 25 of section 469.405 or any allocation made by the fiduciary pursuant to any
 26 authority or discretion specified in subsection 1 of section 469.403, unless
 27 previously barred by adjudication, consent or other limitation, shall be barred as
 28 provided in this section.

29 (1) Any such claim brought by a qualified beneficiary is barred if not
 30 asserted in a judicial proceeding commenced within two years after the trustee has
 31 sent a report to that qualified beneficiary that adequately discloses the facts
 32 constituting the claim.

33 (2) Any such claim brought by a beneficiary (other than a qualified
 34 beneficiary) with any interest whatsoever in the trust, no matter how remote or
 35 contingent, or whether or not the beneficiary is ascertainable or has the capacity to
 36 contract, is barred if not asserted in a judicial proceeding commenced within two
 37 years after the first to occur of:

38 (a) The date the trustee sent a report to all qualified beneficiaries that
 39 adequately discloses the facts constituting the claim; or

40 (b) The date the trustee sent a report to a person that represents the
 41 beneficiary under the provisions of subdivision (2) of subsection 2 of this section.

42 2. For purposes of this section the following rules shall apply:

43 (1) A report adequately discloses the facts constituting a claim if it
 44 provides sufficient information so that the beneficiary should know of the claim or
 45 reasonably should have inquired into its existence;

46 (2) Section 469.402 shall apply in determining whether a beneficiary
 47 (including a qualified beneficiary) has received notice for purposes of this section;

48 (3) The determination of the identity of all qualified beneficiaries shall be
 49 made on the date the report is deemed to have been sent; and

(4) This section does not preclude an action to recover for fraud or misrepresentation related to the report.]

~~[469.411. 1. (1) If the provisions of this section apply to a trust, the unitrust amount determined for each accounting year of the trust shall be a percentage between three and five percent of the average net fair market value of the trust, as of the first day of the trust's current accounting year. The percentage applicable to a trust shall be that percentage specified by the terms of the governing instrument or by the election made in accordance with subdivision (2) of subsection 5 of this section.~~

~~(2) The unitrust amount for the current accounting year computed pursuant to this section shall be proportionately reduced for any distributions, in whole or in part, other than distributions of the unitrust amount, and for any payments of expenses, including debts, disbursements and taxes, from the trust within a current accounting year that the trustee determines to be material and substantial, and shall be proportionately increased for the receipt, other than a receipt that represents a return on investment, of any additional property into the trust within a current accounting year.~~

~~(3) For purposes of this section, the net fair market values of the assets held in the trust on the first business day of a prior accounting quarter shall be adjusted to reflect any reduction, in the case of a distribution or payment, or increase, in the case of a receipt, for the prior accounting year pursuant to subdivision (1) of this subsection, as if the distribution, payment or receipt had occurred on the first day of the prior accounting year.~~

~~(4) In the case of a short accounting period, the trustee shall prorate the unitrust amount on a daily basis.~~

~~(5) In the case where the net fair market value of an asset held in the trust has been incorrectly determined in any quarter, the unitrust amount shall be increased in the case of an undervaluation, or be decreased in the case of an overvaluation, by an amount equal to the difference between the unitrust amount determined based on the correct valuation of the asset and the unitrust amount originally determined.~~

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

~~(1) "Average net fair market value", a rolling average of the fair market value of the assets held in the trust on the first business day of the lessor of the number of accounting quarters of the trust from the date of inception of the trust to the determination of the trust's average net fair market value, or twelve accounting quarters of the trust, regardless of whether this section applied to the ascertainment of net income for all valuation quarters;~~

~~(2) "Current accounting year", the accounting period of the trust for which the unitrust amount is being determined.~~

~~3. In determining the average net fair market value of the assets held in the trust, there shall not be included the value of:~~

~~(1) Any residential property or any tangible personal property that, as of the first business day of the current valuation year, one or more income beneficiaries of the trust have or had the right to occupy, or have or had the right to possess or control, other than in a capacity as trustee, and instead the right of occupancy or the right to possession or control shall be deemed to be the unitrust~~

1 amount with respect to the residential property or the tangible personal property;
 2 or

3 (2) Any asset specifically given to a beneficiary under the terms of the
 4 trust and the return on investment on that asset, which return on investment shall
 5 be distributable to the beneficiary.

6 4. In determining the average net fair market value of the assets held in the
 7 trust pursuant to subsection 1 of this section, the trustee shall, not less often than
 8 annually, determine the fair market value of each asset of the trust that consists
 9 primarily of real property or other property that is not traded on a regular basis in
 10 an active market by appraisal or other reasonable method or estimate, and that
 11 determination, if made reasonably and in good faith, shall be conclusive as to all
 12 persons interested in the trust. Any claim based on a determination made pursuant
 13 to this subsection shall be barred if not asserted in a judicial proceeding brought by
 14 any beneficiary with any interest whatsoever in the trust within two years after the
 15 trustee has sent a report to all qualified beneficiaries that adequately discloses the
 16 facts constituting the claim. The rules set forth in subsection 2 of section 469.409
 17 shall apply to the barring of claims pursuant to this subsection.

18 5. This section shall apply to the following trusts:

19 (1) Any trust created after August 28, 2001, with respect to which the
 20 terms of the trust clearly manifest an intent that this section apply;

21 (2) Any trust created under an instrument that became irrevocable on,
 22 before, or after August 28, 2001, if the trustee, in the trustee's discretion, elects to
 23 have this section apply unless the instrument creating the trust specifically
 24 prohibits an election under this subdivision. The trustee shall deliver notice to all
 25 qualified beneficiaries and the settlor of the trust, if he or she is then living, of the
 26 trustee's intent to make such an election at least sixty days before making that
 27 election. The trustee shall have sole authority to make the election. Section
 28 469.402 shall apply for all purposes of this subdivision. An action or order by any
 29 court shall not be required. The election shall be made by a signed writing
 30 delivered to the settlor of the trust, if he or she is then living, and to all qualified
 31 beneficiaries. The election is irrevocable, unless revoked by order of the court
 32 having jurisdiction of the trust. The election may specify the percentage used to
 33 determine the unitrust amount pursuant to this section, provided that such
 34 percentage is between three and five percent, or if no percentage is specified, then
 35 that percentage shall be three percent. In making an election pursuant to this
 36 subsection, the trustee shall be subject to the same limitations and conditions as
 37 apply to an adjustment between income and principal pursuant to subsections 3
 38 and 4 of section 469.405; and

39 (3) No action of any kind based on an election made by a trustee pursuant
 40 to subdivision (2) of this subsection shall be brought against the trustee by any
 41 beneficiary of that trust three years from the effective date of that election.

42 6. (1) Once the provisions of this section become applicable to a trust, the
 43 net income of the trust shall be the unitrust amount.

44 (2) Unless otherwise provided by the governing instrument, the unitrust
 45 amount distributed each year shall be paid from the following sources for that year
 46 up to the full value of the unitrust amount in the following order:

47 (a) Net income as determined if the trust were not a unitrust;

48 (b) Other ordinary income as determined for federal income tax purposes;

1 (c) ~~Assets of the trust principal for which there is a readily available~~
 2 ~~market value; and~~

3 (d) ~~Other trust principal.~~

4 (3) ~~Additionally, the trustee may allocate to trust income for each taxable~~
 5 ~~year of the trust, or portion thereof:~~

6 (a) ~~Net short-term capital gain described in the Internal Revenue Code, 26~~
 7 ~~U.S.C. Section 1222(5), for such year, or portion thereof, but only to the extent~~
 8 ~~that the amount so allocated together with all other amounts to trust income, as~~
 9 ~~determined under the provisions of this chapter without regard to this section, for~~
 10 ~~such year, or portion thereof, does not exceed the unitrust amount for such year, or~~
 11 ~~portion thereof;~~

12 (b) ~~Net long-term capital gain described in the Internal Revenue Code, 26~~
 13 ~~U.S.C. Section 1222(7), for such year, or portion thereof, but only to the extent~~
 14 ~~that the amount so allocated together with all other amounts, including amounts~~
 15 ~~described in paragraph (a) of this subdivision, allocated to trust income for such~~
 16 ~~year, or portion thereof, does not exceed the unitrust amount for such year, or~~
 17 ~~portion thereof.~~

18 7. ~~A trust with respect to which this section applies on August 28, 2011,~~
 19 ~~may calculate the unitrust amount in accordance with the provisions of this~~
 20 ~~section, as it existed either before or after such date, as the trustee of such trust~~
 21 ~~shall determine in a writing kept with the records of the trust in the trustee's~~
 22 ~~discretion.]~~

23
 24 [469.461. 1. A fiduciary may make adjustments between principal and
 25 income to offset the shifting of economic interests or tax benefits between income
 26 beneficiaries and remainder beneficiaries which arise from:

27 (1) ~~Elections and decisions, other than those described in subsection 2 of~~
 28 ~~this section, that the fiduciary makes from time to time regarding tax matters;~~

29 (2) ~~An income tax or any other tax that is imposed upon the fiduciary or a~~
 30 ~~beneficiary as a result of a transaction involving or a distribution from the estate or~~
 31 ~~trust; or~~

32 (3) ~~The ownership by an estate or trust of an interest in an entity whose~~
 33 ~~taxable income, whether or not distributed, is includable in the taxable income of~~
 34 ~~the estate, trust or a beneficiary.~~

35 2. ~~If the amount of an estate tax marital deduction or charitable~~
 36 ~~contribution deduction is reduced because a fiduciary deducts an amount paid~~
 37 ~~from principal for income tax purposes instead of deducting it for estate tax~~
 38 ~~purposes, and as a result estate taxes paid from principal are increased and income~~
 39 ~~taxes paid by an estate, trust or beneficiary are decreased, each estate, trust or~~
 40 ~~beneficiary that benefits from the decrease in income tax shall reimburse the~~
 41 ~~principal from which the increase in estate tax is paid. The total reimbursement~~
 42 ~~shall equal the increase in the estate tax to the extent that the principal used to pay~~
 43 ~~the increase would have qualified for a marital deduction or charitable~~
 44 ~~contribution deduction but for the payment. The proportionate share of the~~
 45 ~~reimbursement for each estate, trust or beneficiary whose income taxes are~~
 46 ~~reduced shall be the same as its proportionate share of the total decrease in income~~
 47 ~~tax. An estate or trust shall reimburse principal from income.]~~

1 Section B. If any provision of section A of this act or the application thereof to anyone or to
2 any circumstance is held invalid, the remainder of those sections and the application of such
3 provisions to others or other circumstances shall not be affected thereby."; and

4
5 Further amend said bill by amending the title, enacting clause, and intersectional references
6 accordingly.