

**HOUSE AMENDMENT NO. \_\_\_\_\_**  
**TO**  
**HOUSE AMENDMENT NO. \_\_\_\_\_**

**Offered By**

1 AMEND House Amendment No. \_\_\_\_\_ to House Committee Substitute for Senate Committee  
2 Substitute for Senate Bill No. 187, Page 1, Line 4, by deleting all of said line and inserting in lieu  
3 thereof the following:  
4

5 ""361.900. Sections 361.900 to 361.1035 shall be known and may be cited as the "Money  
6 Transmission Modernization Act of 2023".

7 361.903. Sections 361.900 to 361.1035 are designed to replace existing state money  
8 transmission laws currently codified in law and to:

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

11 (2) Protect the public from financial crime;

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

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

16 361.906. For purposes of sections 361.900 to 361.1035, the following terms shall mean:

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

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

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

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

29 (5) "Closed loop stored value", stored value that is redeemable by the issuer only for goods

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1 or services provided by the issuer or its affiliate or franchisees of the issuer or its affiliate, except to  
2 the extent required by applicable law to be redeemable in cash for its cash value;

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

4 (7) "Control":

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

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

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

12  
13 A person is presumed to exercise a controlling influence if the person holds the power to vote,  
14 directly or indirectly, at least ten percent of the outstanding voting shares or voting interests of a  
15 licensee or person in control of a licensee. A person presumed to exercise a controlling influence as  
16 defined under this subdivision can rebut the presumption of control if the person is a passive  
17 investor. For purposes of determining the percentage of a person controlled by any other person, the  
18 person's interest shall be aggregated with the interest of any other immediate family member,  
19 including the person's spouse, parents, children, siblings, mothers- and fathers-in law, sons- and  
20 daughters-in-law, brothers- and sisters-in-law, and any other person who shares such person's home;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16  
17 The term includes payroll processing services. The term does not include the provision solely of  
18 online or telecommunications services or network access;

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

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

27           (21) "Outstanding money transmission obligations":

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

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

35  
36 For purposes of this subdivision, "in the United States" shall include, to the extent applicable, a  
37 person in any state, territory, or possession of the United States; the District of Columbia; the  
38 Commonwealth of Puerto Rico; or a U.S. military installation that is located in a foreign country;

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

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

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

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

8           (d) Either:

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

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

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

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

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

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

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

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

34           (27) "Stored value", monetary value representing a claim against the issuer evidenced by an  
35 electronic or digital record and that is intended and accepted for use as a means of redemption for  
36 money or monetary value or payment for goods or services. The term includes, but is not limited to,  
37 "prepaid access" as defined under 31 C.F.R. Section 1010.100, as amended or recodified from time  
38 to time. Notwithstanding the provisions of this subdivision, the term does not include a payment  
39 instrument or closed loop stored value, or stored value not sold to the public but issued and

1 distributed as part of a loyalty, rewards, or promotional program;

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

5 361.909. Sections 361.900 to 361.1035 shall not apply to:

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

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

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

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

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

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

23 (a) Is properly licensed or exempt from licensing requirements under sections 361.900 to  
24 361.1035;

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

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

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

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

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

35 (7) A federally insured depository financial institution, bank holding company, office of an  
36 international banking corporation, foreign bank that establishes a federal branch under the  
37 International Bank Act, 12 U.S.C. Section 3102, as amended or recodified from time to time,  
38 corporation organized under the Bank Service Corporation Act, 12 U.S.C. Sections 1861-1867, as  
39 amended or recodified from time to time, or corporation organized under the Edge Act, 12 U.S.C.

1 Sections 611-633, as amended or recodified from time to time, under the laws of a state or the  
 2 United States;

3 (8) Electronic funds transfer of governmental benefits for a federal, state, county, or  
 4 governmental agency by a contractor on behalf of the United States or a department, agency, or  
 5 instrumentality thereof, or on behalf of a state or governmental subdivision, agency, or  
 6 instrumentality thereof;

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

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

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

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

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

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

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

28 361.912. The commissioner may require that any person claiming to be exempt from  
 29 licensing under section 361.909 provide information and documentation to the commissioner  
 30 demonstrating that the person qualifies for any claimed exemption.

31 361.915. 1. In order to carry out the purposes of sections 361.900 to 361.1035, the  
 32 commissioner may, subject to the provisions of subsections 1 and 2 of section 361.918:

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

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

39 (3) Accept, from other state or federal government agencies or officials, licensing,

1 examination, or investigation reports made by such other state or federal government agencies or  
2 officials; and

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

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

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

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

13 3. The commissioner shall promulgate all necessary rules and regulations for the  
14 administration of sections 361.900 to 361.1035. Any rule or portion of a rule, as that term is defined  
15 in section 536.010, that is created under the authority delegated in this section shall become  
16 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if  
17 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers  
18 vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to  
19 disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking  
20 authority and any rule proposed or adopted after August 28, 2023, shall be invalid and void.

21 361.918. 1. Except as otherwise provided in subsection 2 of this section, all information or  
22 reports obtained by the commissioner from an applicant, licensee, or authorized delegate and all  
23 information contained in or related to an examination, investigation, operating report, or condition  
24 report prepared by, on behalf of, or for the use of the commissioner, or financial statements, balance  
25 sheets, or authorized delegate information, are confidential and are not subject to disclosure under  
26 chapter 610.

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

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

32 361.921. 1. The commissioner may conduct an examination or investigation of a licensee or  
33 authorized delegate or otherwise take independent action authorized by sections 361.900 to  
34 361.1035 or by a rule adopted or order issued under sections 361.900 to 361.1035 as reasonably  
35 necessary or appropriate to administer and enforce sections 361.900 to 361.1035, regulations  
36 implementing sections 361.900 to 361.1035, and other applicable law, including the Bank Secrecy  
37 Act and the USA PATRIOT Act. The commissioner may:

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

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

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

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

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

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

17           361.924. 1. To efficiently and effectively administer and enforce sections 361.900 to  
18 361.1035 and to minimize regulatory burden, the commissioner is authorized to participate in  
19 multistate supervisory processes established between states or coordinated through the Conference  
20 of State Bank Supervisors, Money Transmitter Regulators Association, and affiliates and successors  
21 thereof for all licensees that hold licenses in this state and other states. As a participant in multistate  
22 supervision, the commissioner may:

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

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

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

32           2. The commissioner shall not waive and nothing in this section constitutes a waiver of the  
33 commissioner's authority to conduct an examination or investigation or otherwise take independent  
34 action authorized by sections 361.900 to 361.1035 or a rule adopted or order issued under sections  
35 361.900 to 361.1035 to enforce compliance with applicable state or federal law.

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

38           361.927. 1. In the event state money transmission jurisdiction is conditioned on a federal  
39 law, any inconsistencies between a provision of sections 361.900 to 361.1035 and the federal law



1 governing money transmission shall be governed by the applicable federal law to the extent of the  
2 inconsistency.

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

6 (1) Identifies the inconsistency; and

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

8 361.930. 1. A person shall not engage in the business of money transmission or advertise,  
9 solicit, or hold itself out as providing money transmission unless the person is licensed under  
10 sections 361.900 to 361.1035.

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

12 (1) A person that is an authorized delegate of a person licensed under sections 361.900 to  
13 361.1035 acting within the scope of authority conferred by a written contract with the licensee; or

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

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

17 361.933. 1. To establish consistent licensing between this state and other states, the  
18 commissioner is authorized to:

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

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

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

27 (1) Collect and maintain records;

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

29 (3) Process fees; and

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

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

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

38 5. (1) The commissioner is authorized to establish and adopt, by rule or regulation,  
39 requirements for participation by applicants and licensees in NMLS upon the division of finance's

1 determination that each requirement is consistent with law, public interest, and the purposes of this  
 2 section.

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

10 361.936. 1. Applicants for a license shall apply in a form and in a medium as prescribed by  
 11 the commissioner. Each such form shall contain content as set forth by rule, regulation, instruction,  
 12 or procedure of the commissioner and may be changed or updated by the commissioner in  
 13 accordance with applicable law in order to carry out the purposes of sections 361.900 to 361.1035  
 14 and maintain consistency with licensing standards and practices. The application shall state or  
 15 contain, as applicable:

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

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

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

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

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

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

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

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

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

35 (11) Any other information the commissioner reasonably requires with respect to the  
 36 applicant.

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

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

1 incorporation or formation;

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

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

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

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

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

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

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

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

22 (a) A corporation publicly traded in the United States, a copy of audited financial statements  
23 for the parent corporation for the most recent fiscal year or a copy of the parent corporation's most  
24 recent report filed under Section 13 of the U.S. Securities Exchange Act of 1934, 15 U.S.C. Section  
25 78m, as amended or recodified from time to time; or

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

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

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

31 (12) Any other information the commissioner reasonably requires with respect to the  
32 applicant.

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

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

37 361.939. 1. Any individual in control of a licensee or applicant, any individual that seeks to  
38 acquire control of a licensee, and each key individual shall furnish to the commissioner through  
39 NMLS the following:

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

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

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

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

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

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

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

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

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

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

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

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

30           (c) Employment history;

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

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

35           361.942. 1. If an application for an original license under sections 361.900 to 361.1035  
36 appears to include all the items and addresses and all of the matters that are required, the application  
37 is complete and the commissioner shall promptly notify the applicant in a record of the date on  
38 which the application is determined to be complete, and:

39           (1) The commissioner shall approve or deny the application within one hundred twenty days

1 after the completion date; or

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

4 (a) The application is approved; and

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

7  
8 The commissioner may for good cause extend the application period.

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

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

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

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

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

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

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

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

39 6. The initial license term shall begin on the day the application is approved. The license

1 shall expire on December thirty-first of the year in which the license term began unless the initial  
2 license date is between November first and December thirty-first, in which instance the initial  
3 license term shall run through December thirty-first of the following year.

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

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

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

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

16 361.948. 1. If a licensee does not continue to meet the qualifications or satisfy the  
17 requirements that apply to an applicant for a new money transmission license, the commissioner  
18 may suspend or revoke the licensee's license in accordance with the procedures established under  
19 sections 361.900 to 361.1035 or other applicable state law for such suspension or revocation.

20 2. An applicant for a money transmission license shall demonstrate that it meets or will  
21 meet, and a money transmission licensee shall at all times meet, the requirements in sections  
22 361.999, 361.1002, and 361.1005.

23 361.951. 1. Any person, or group of persons acting in concert, seeking to acquire control of  
24 a licensee shall obtain the written approval of the commissioner prior to acquiring control. An  
25 individual is not deemed to acquire control of a licensee and is not subject to the acquisition of  
26 control provisions when that individual becomes a key individual in the ordinary course of business.

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

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

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

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

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

38 5. When an application for acquisition of control under this section appears to include all the  
39 items and address all of the matters that are required, the application shall be considered complete.

1 The commissioner shall promptly notify the applicant in a record of the date on which the  
2 application was determined to be complete, and:

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

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

6 (a) The application is approved; and

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

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

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

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

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

21 (2) The financial condition and responsibility, financial and business experience,  
22 competence, character, and general fitness of the person, or group of persons acting in concert,  
23 seeking to acquire control and the competence, experience, character, and general fitness of the key  
24 individuals and persons that would be in control of the licensee after the acquisition of control  
25 indicate that it is in the interest of the public to permit the person, or group of persons acting in  
26 concert, to control the licensee.

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

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

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

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

39 10. The requirements of subsections 1 and 2 of this section shall not apply to any of the

1 following:

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

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

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

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

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

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

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

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

18 12. (1) The requirements of subsections 1 and 2 of this section shall not apply to a person  
19 that has complied with and received approval to engage in money transmission under sections  
20 361.900 to 361.1035 or was identified as a person in control in a prior application filed with and  
21 approved by the commissioner or by another state under a multistate licensing process, provided  
22 that:

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

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

29 (c) The licensee to be acquired is projected to meet the requirements of sections 361.999,  
30 361.1002, and 361.1005 after the acquisition of control is completed, and if the person acquiring  
31 control is a licensee, that licensee is also projected to meet the requirements of sections 361.999,  
32 361.1002, and 361.1005 after the acquisition of control is completed;

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

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



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

3           13. Before filing an application for approval to acquire control of a licensee, a person may  
4 request in writing a determination from the commissioner as to whether the person would be  
5 considered a person in control of a licensee upon consummation of a proposed transaction. If the  
6 commissioner determines that the person would not be a person in control of a licensee, the  
7 proposed person and transaction is not subject to the requirements of subsections 1 and 2 of this  
8 subsection.

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

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

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

17           361.954. 1. A licensee adding or replacing any key individual shall:

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

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

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

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

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

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

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

39           (2) If this state is a lead investigative state, the commissioner is authorized to investigate the

1 applicant under subsection 2 of this section and the time frames established by agreement through  
 2 the multistate licensing process.

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

5 2. The report of condition shall include:

6 (1) Financial information at the licensee level;

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

9 (3) Permissible investments report;

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

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

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

20 361.960. 1. Each licensee shall, within ninety days after the end of each fiscal year or  
 21 within any extended time as the commissioner may prescribe, file with the commissioner:

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

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

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

27 3. The audited financial statements shall include or be accompanied by a certificate of  
 28 opinion of the independent certified public accountant or independent public accountant that is  
 29 satisfactory in form and content to the commissioner. If the certificate or opinion is qualified, the  
 30 commissioner may order the licensee to take any action as the commissioner may find necessary to  
 31 enable the independent certified public accountant or independent public accountant to remove the  
 32 qualification.

33 361.963. 1. Each licensee shall submit a report of authorized delegates within forty-five  
 34 days of the end of the calendar quarter. The commissioner is authorized to utilize NMLS for the  
 35 submission of the report required under this section, provided that such functionality is consistent  
 36 with the requirements of this section.

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

38 (1) Company legal name;

39 (2) Taxpayer employer identification number;

- 1           (3) Principal provider identifier;  
 2           (4) Physical address, if any;  
 3           (5) Mailing address;  
 4           (6) Any business conducted in other states;  
 5           (7) Any fictitious or trade name;  
 6           (8) Contact person name, phone number, and email;  
 7           (9) Start date as licensee's authorized delegate;  
 8           (10) End date acting as licensee's authorized delegate, if applicable; and  
 9           (11) Any other information the commissioner reasonably requires with respect to the  
 10 authorized delegate.

11           361.966. 1. A licensee shall file a report with the commissioner within one business day  
 12 after the licensee has reason to know of the occurrence of any of the following events:

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

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

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

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

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

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

28           361.969. A licensee and an authorized delegate shall file all reports required by federal  
 29 currency reporting, record keeping, and suspicious activity reporting requirements as set forth in the  
 30 Bank Secrecy Act and other federal and state laws pertaining to money laundering. The timely  
 31 filing of a complete and accurate report required under this section with the appropriate federal  
 32 agency is deemed compliant with the requirements of this section.

33           361.972. 1. A licensee shall maintain the following records for determining its compliance  
 34 with sections 361.900 to 361.1035 for at least three years:

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

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

38           (3) Bank statements and bank reconciliation records;

39           (4) Records of outstanding money transmission obligations;

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

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

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

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

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

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

13           361.975. 1. As used in this section, "remit" means to make direct payments of money to a  
14 licensee or its representative authorized to receive money or to deposit money in a bank in an  
15 account specified by the licensee.

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

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

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

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

24           3. An authorized delegate shall operate in full compliance with sections 361.900 to  
25 361.1035.

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

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

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

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

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

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

1           (6) Require the authorized delegate to prepare and maintain records as required by sections  
2 361.900 to 361.1035 or regulations implementing sections 361.900 to 361.1035, or as reasonably  
3 requested by the commissioner;

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

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

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

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

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

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

25           361.978. A person shall not engage in the business of money transmission on behalf of a  
26 person not licensed under sections 361.900 to 361.1035 or not exempt under sections 361.909 and  
27 361.912. A person that engages in such activity provides money transmission to the same extent as  
28 if the person were a licensee and shall be jointly and severally liable with the unlicensed or  
29 nonexempt person.

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

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

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

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

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

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

13           361.987. 1. This section shall not apply to:

14           (1) Money received for transmission subject to the federal Remittance Rule, 12 C.F.R. Part  
 15 1005, Subpart B, as amended or recodified from time to time; or

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

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

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

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

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

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

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

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

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

37           361.990. 1. This section shall not apply to:

38           (1) Money received for transmission subject to the federal Remittance Rule, 12 C.F.R. Part  
 39 1005, Subpart B, as amended or recodified from time to time;

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

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

5 (4) Payroll processing services.

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

11 3. (1) Every licensee or its authorized delegate shall provide the sender a receipt for money  
12 received for transmission. The receipt shall contain the following information, as applicable:

13 (a) The name of the sender;

14 (b) The name of the designated recipient;

15 (c) The date of the transaction;

16 (d) The unique transaction or identification number;

17 (e) The name of the licensee, NMLS unique identifier, the licensee's business address, and  
18 the licensee's customer service telephone number;

19 (f) The amount of the transaction in United States dollars;

20 (g) Any fee charged by the licensee to the sender for the transaction; and

21 (h) Any taxes collected by the licensee from the sender for the transaction.

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

25 361.996. 1. A licensee that provides payroll processing services shall:

26 (1) Issue reports to clients detailing client payroll obligations in advance of the payroll funds  
27 being deducted from an account; and

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

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

32 361.999. 1. A licensee under sections 361.900 to 361.1035 shall maintain at all times a  
33 tangible net worth of the greater of one hundred thousand dollars or three percent of total assets for  
34 the first one hundred million dollars, two percent of additional assets for one hundred million dollars  
35 to one billion dollars, and one-half of one percent of additional assets for over one billion dollars.

36 2. Tangible net worth shall be demonstrated at initial application by the applicant's most  
37 recent audited or unaudited financial statements under subdivision (6) of subsection 2 of section  
38 361.936.

39 361.1002. 1. An applicant for a money transmission license shall provide, and a licensee at

1 all times shall maintain, security consisting of a surety bond in a form satisfactory to the  
2 commissioner.

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

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

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

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

12 361.1005. 1. A licensee shall maintain at all times permissible investments that have a  
13 market value computed in accordance with United States generally accepted accounting principles  
14 of not less than the aggregate amount of all of its outstanding money transmission obligations.

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

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

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



1 statutory trust established under this subsection shall be terminated upon extinguishment of all of  
2 the licensee's outstanding money transmission obligations.

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

7 361.1008. 1. The following investments are permissible under section 361.1005:

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

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

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

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

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

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

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

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

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

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

39 (d) Contain an issue date and expiration date, and expressly provide for automatic extension,

1 without a written amendment, for an additional period of one year from the present or each future  
2 expiration date unless the issuer of the letter of credit notifies the commissioner in writing by  
3 certified or registered mail or courier mail or other receipted means, at least sixty days prior to any  
4 expiration date, that the irrevocable letter of credit will not be extended.

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

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

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

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

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

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

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

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

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

39 5. The commissioner is authorized to participate in multistate processes designed to

1 facilitate the issuance and administration of letters of credit including, but not limited to, services  
2 provided by the NMLS, State Regulatory Registry LLC, or other third parties.

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

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

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

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

15 (b) Commercial paper bearing an eligible rating;

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

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

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

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

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

28 (a) Has an eligible rating;

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

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

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

34 361.1011. 1. The commissioner may suspend or revoke a license or order a licensee to  
35 revoke the designation of an authorized delegate if:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

39          3. An authorized delegate may apply for relief from a suspension or revocation of

1 designation as an authorized delegate according to procedures prescribed by the commissioner.

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

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

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

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

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

20 361.1020. The commissioner may enter into a consent order at any time with a person to  
21 resolve a matter arising under sections 361.900 to 361.1035 or a rule adopted or order issued under  
22 sections 361.900 to 361.1035. A consent order shall be signed by the person to whom it is issued or  
23 by the person's authorized representative and shall indicate agreement with the terms contained in  
24 the order. A consent order may provide that it does not constitute an admission by a person that  
25 sections 361.900 to 361.1035 or a rule adopted or an order issued under sections 361.900 to  
26 361.1035 has been violated.

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

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

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

39 361.1026. The commissioner may assess a civil penalty against a person that violates

1 sections 361.900 to 361.1035 or a rule adopted or an order issued under sections 361.900 to  
 2 361.1035 in an amount not to exceed one thousand dollars per day for each day the violation is  
 3 outstanding, plus this state's costs and expenses for the investigation and prosecution of the matter,  
 4 including reasonable attorney's fees.

5 361.1029. 1. If the commissioner has reason to believe that a person has violated or is  
 6 violating section 361.930, the commissioner may issue an order to show cause why an order to cease  
 7 and desist shall not be issued requiring that the person cease and desist from the violation of section  
 8 361.930.

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

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

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

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

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

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

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

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

32 362.034. 1. Any entity that operates as a facility licensed or certified under Article XIV of";  
 33 and

34  
 35 Further amend said amendment, Page 1, Lines 30, by inserting after all of said line the following:

36  
 37 "Further amend said bill, Page 65, Section 570.030, Line 90, by inserting after all of said section and  
 38 line the following:

1           ~~"[361.700. 1. Sections 361.700 to 361.727 shall be known and may be~~  
 2 ~~cited as the "Sale of Checks Law".~~

3           ~~2. For the purposes of sections 361.700 to 361.727, the following terms~~  
 4 ~~mean:~~

5           ~~(1) "Check", any instrument for the transmission or payment of money and~~  
 6 ~~shall also include any electronic means of transmitting or paying money;~~

7           ~~(2) "Director", the director of the division of finance;~~

8           ~~(3) "Licensee", any person duly licensed by the director pursuant to~~  
 9 ~~sections 361.700 to 361.727;~~

10           ~~(4) "Person", any individual, partnership, association, trust or corporation.]~~

11  
 12           ~~[361.705. 1. No person shall issue checks in this state for a consideration~~  
 13 ~~without first obtaining a license from the director; provided, however, that sections~~  
 14 ~~361.700 to 361.727 shall not apply to the receipt of money by an incorporated~~  
 15 ~~telegraph company at any office or agency of such company for immediate~~  
 16 ~~transmission by telegraph nor to any bank, trust company, savings and loan~~  
 17 ~~association, credit union, or agency of the United States government.~~

18           ~~2. Any person who violates any of the provisions of sections 361.700 to~~  
 19 ~~361.727 or attempts to sell or issue checks without having first obtained a license~~  
 20 ~~from the director shall be deemed guilty of a class A misdemeanor.]~~

21  
 22           ~~[361.707. 1. Each application for a license pursuant to sections 361.700 to~~  
 23 ~~361.727 shall be in writing and under oath to the director in such form as he may~~  
 24 ~~prescribe. The application shall state the full name and business address of:~~

25           ~~(1) The proprietor, if the applicant is an individual;~~

26           ~~(2) Every member, if the applicant is a partnership or association;~~

27           ~~(3) The corporation and each officer and director thereof, if the applicant~~  
 28 ~~is a corporation.~~

29           ~~2. Each application for a license shall be accompanied by an investigation~~  
 30 ~~fee of three hundred dollars. If the license is granted the investigation fee shall be~~  
 31 ~~applied to the license fee for the first year. No investigation fee shall be refunded.]~~

32  
 33           ~~[361.711. Each application for a license shall be accompanied by a~~  
 34 ~~corporate surety bond in the principal sum of one hundred thousand dollars. The~~  
 35 ~~bond shall be in form satisfactory to the director and shall be issued by a bonding~~  
 36 ~~company or insurance company authorized to do business in this state, to secure~~  
 37 ~~the faithful performance of the obligations of the applicant and the agents and~~  
 38 ~~subagents of the applicant with respect to the receipt, transmission, and payment~~  
 39 ~~of money in connection with the sale or issuance of checks and also to pay the~~  
 40 ~~costs incurred by the division to remedy any breach of the obligations of the~~  
 41 ~~applicant subject to the bond or to pay examination costs of the division owed and~~  
 42 ~~not paid by the applicant. Upon license renewal, the required amount of bond~~  
 43 ~~shall be as follows:~~

44           ~~(1) For all licensees selling payment instruments or stored value cards,~~  
 45 ~~five times the high outstanding balance from the previous year with a minimum of~~  
 46 ~~one hundred thousand dollars and a maximum of one million dollars;~~

47           ~~(2) For all licensees receiving money for transmission, five times the~~  
 48 ~~greatest amount transmitted in a single day during the previous year with a~~

1 minimum of one hundred thousand dollars and a maximum of one million dollars.

2  
3 If in the opinion of the director the bond shall at any time appear to be inadequate,  
4 insecure, exhausted, or otherwise doubtful, additional bond in form and with  
5 surety satisfactory to the director shall be filed within fifteen days after notice of  
6 the requirement is given to the licensee by the director. An applicant or licensee  
7 may, in lieu of filing any bond required under this section, provide the director  
8 with an irrevocable letter of credit, as defined in section 400.5-103, issued by any  
9 state or federal financial institution. Whenever in the director's judgment it is  
10 necessary or expedient, the director may perform a special examination of any  
11 person licensed under sections 361.700 to 361.727 with all authority under section  
12 361.160 as though the licensee were a bank. The cost of such examination shall be  
13 paid by the licensee.]

14  
15 [361.715. 1. Upon the filing of the application, the filing of a certified  
16 audit, the payment of the investigation fee and the approval by the director of the  
17 necessary bond, the director shall cause, investigate, and determine whether the  
18 character, responsibility, and general fitness of the principals of the applicant or  
19 any affiliates are such as to command confidence and warrant belief that the  
20 business of the applicant will be conducted honestly and efficiently and that the  
21 applicant is in compliance with all other applicable state and federal laws. If  
22 satisfied, the director shall issue to the applicant a license pursuant to the  
23 provisions of sections 361.700 to 361.727. In processing a renewal license, the  
24 director shall require the same information and follow the same procedures  
25 described in this subsection.

26 2. Each licensee shall pay to the director before the issuance of the license,  
27 and annually thereafter on or before April fifteenth of each year, a license fee of  
28 three hundred dollars.

29 3. The director may assess a reasonable charge, not to exceed three  
30 hundred dollars, for any application to amend and reissue an existing license.]

31  
32 [361.718. Every licensee shall at all times have on demand deposit in a  
33 federally insured depository institution or in the form of cash on hand or in the  
34 hands of his agents or in readily marketable securities an amount equal to all  
35 outstanding unpaid checks sold by him or his agents in Missouri, in addition to the  
36 amount of his bond. Upon demand by the director, licensees must immediately  
37 provide proof of such funds or securities. The director may make such demand as  
38 often as reasonably necessary and shall make such demand to each licensee,  
39 without prior notice, at least twice each license year.]

40  
41 [361.720. Each licensee may conduct business at one or more locations  
42 within this state and by means of employees, agents, subagents or representatives  
43 as such licensee may designate. No license under sections 361.700 to 361.727  
44 shall be required of any such employee, agent, subagent or representative who  
45 sells checks in behalf of a licensee. Each such agent, subagent or representative  
46 shall upon demand transfer and deliver to the licensee the proceeds of the sale of  
47 licensee's checks less the fees, if any, due such agent, subagent or representative.]



1           ~~[361.723. Each licensee shall file with the director annually on or before~~  
2           ~~April fifteenth of each year a statement listing the locations of the offices of the~~  
3           ~~licensee and the names and locations of the agents or subagents authorized by the~~  
4           ~~licensee to engage in the sale of checks of which the licensee is the issuer.]~~  
5

6           ~~[361.725. The director may at any time suspend or revoke a license, for~~  
7           ~~any reason he might refuse to grant a license, for failure to pay an annual fee or for~~  
8           ~~a violation of any provision of sections 361.700 to 361.727. No license shall be~~  
9           ~~denied, revoked or suspended except on ten days' notice to the applicant or~~  
10          ~~licensee. Upon receipt of such notice the applicant or licensee may, within five~~  
11          ~~days of such receipt, make written demand for a hearing. The director shall~~  
12          ~~thereafter hear and determine the matter in accordance with the provisions of~~  
13          ~~chapter 536.]~~  
14

15          ~~[361.727. The director shall issue regulations necessary to carry out the~~  
16          ~~intent and purposes of sections 361.700 to 361.727, pursuant to the provisions of~~  
17          ~~section 361.105 and chapter 536.]"; and " ; and~~

18 Further amend said bill by amending the title, enacting clause, and intersectional references  
19 accordingly.

20  
21 THIS AMENDS 0845H03.02H