

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 2412**  
**103RD GENERAL ASSEMBLY**

4156H.04C

JOSEPH ENGLER, Chief Clerk

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**AN ACT**

To amend chapter 361, RSMo, by adding thereto four new sections relating to foreign remittance transfers, with penalty provisions.

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

Section A. Chapter 361, RSMo, is amended by adding thereto four new sections, to  
2 be known as sections 361.1040, 361.1042, 361.1044, and 361.1046, to read as follows:

**361.1040. As used in sections 361.1040 to 361.1046, the following terms mean:**

2 **(1) "Director", the director of finance of the division of finance;**

3 **(2) "Division", the division of finance of the department of commerce and**  
4 **insurance;**

5 **(3) "Foreign remittance transfer", a remittance transfer as defined in the**  
6 **Electronic Fund Transfer Act, 15 U.S.C. Section 1693o-1, as amended, the recipient of**  
7 **which is located in any country other than the United States;**

8 **(4) "Licensee", a person licensed under sections 361.900 to 361.1035;**

9 **(5) "Person", any individual, general partnership, limited partnership, limited**  
10 **liability company, corporation, trust, association, joint stock corporation, or other**  
11 **corporate entity identified by the director of the division;**

12 **(6) "Unauthorized alien", a person who is unlawfully present in the United**  
13 **States according to the terms of the federal Immigration and Nationality Act, 8 U.S.C.**  
14 **Section 1101, et seq. The term shall be interpreted consistently with any applicable**  
15 **federal statutes, rules, or regulations.**

**361.1042. 1. In addition to the requirements specified under sections 361.900 to**  
2 **361.1035, a licensee shall not initiate a foreign remittance transfer unless the licensee has**  
3 **verified that the sender is not an unauthorized alien.**

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

4           **2. A licensee shall provide to the division confirmation of verification that the**  
5 **sender of a foreign remittance transfer is not an unauthorized alien on forms developed**  
6 **by the division. The licensee shall submit the forms to the division not later than the**  
7 **forty-fifth day following June thirtieth and December thirty-first.**

8           **3. (1) A licensee shall pay a penalty equal to twenty-five percent of the United**  
9 **States dollar amount transferred, excluding any fees or charges imposed by the licensee,**  
10 **for any foreign remittance transfer initiated in violation of subsection 1 of this section.**

11           **(2) Penalties owed under subdivision (1) of this subsection shall be remitted not**  
12 **later than the forty-fifth day following June thirtieth and December thirty-first to the**  
13 **division in addition to any forms that the division may prescribe for such purpose.**

14           **(3) Notwithstanding any other provision of this chapter, failure to comply with**  
15 **subsection 1 or 2 of this section does not subject a licensee to any penalty other than the**  
16 **penalty imposed under subdivision (1) of this subsection.**

17           **4. All moneys collected by the division under sections 361.1040 to 361.1046 shall**  
18 **be deposited into the state treasury to the credit of the county public school fund of the**  
19 **several counties as required by Article IX, Section 7 of the Constitution of Missouri.**

**361.1044. 1. Each licensee who initiates a foreign remittance transfer under**  
2 **sections 361.1040 to 361.1046 shall make, keep, and preserve the following books,**  
3 **accounts, records, and documents for three years:**

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

5           **(2) A general ledger posted at least monthly containing all assets, liability,**  
6 **capital, income, and expense accounts;**

7           **(3) Bank statements and bank reconciliation records;**

8           **(4) Records of outstanding money transmission obligations;**

9           **(5) Records of each outstanding money transmission obligation paid within the**  
10 **three-year period;**

11           **(6) A list of the last-known names and addresses of all of the licensee's**  
12 **authorized delegates;**

13           **(7) Records of:**

14           **(a) The documentation used to verify that the sender of a foreign remittance**  
15 **transfer is not an unauthorized alien; and**

16           **(b) Penalties paid pursuant to subsection 3 of section 361.1042, including the**  
17 **date and amount of each foreign remittance transfer and the name, date of birth, and**  
18 **address of each sender;**

19           **(8) Any other records, as prescribed by rule, designed to detect and prevent the**  
20 **unauthorized foreign remittance transfer; and**

21           **(9) Any other records the director may reasonably require by rule.**

22           **2. The items required under subsection 1 of this section may be maintained in**  
23 **any form of record. All records maintained by the licensee shall be open to inspection**  
24 **by the director.**

**361.1046. 1. For the purpose of enforcement of sections 361.1040 to 361.1046,**  
2 **the division may at any time request, and the licensee shall provide, records of**  
3 **documentation used to verify that the sender of a foreign remittance transfer is not an**  
4 **unauthorized alien.**

5           **2. A person who has a good faith belief that a licensee has failed to comply with**  
6 **sections 361.1040 to 361.1046 may file a written complaint with the division setting forth**  
7 **supporting details. A person who knowingly files a false or frivolous complaint under**  
8 **this subsection, including any complaint that violates federal law, shall be guilty of a**  
9 **class B misdemeanor.**

10           **3. Upon receipt of a valid complaint that is substantiated by evidence of a**  
11 **violation of sections 361.1040 to 361.1046 after an investigation, the division shall notify**  
12 **the licensee of the complaint and direct the licensee to pay the penalty required under**  
13 **subsection 3 of section 361.1042.**

14           **4. In addition to the requirements under subsection 1 of this section, beginning**  
15 **July 1, 2028, the division shall conduct random examinations of licensees to ensure**  
16 **compliance with sections 361.1040 to 361.1046. During an examination or investigation,**  
17 **a licensee shall produce records of the documentation used to verify that each sender of**  
18 **a foreign remittance transfer is not an unauthorized alien. A licensee that fails to**  
19 **substantially comply with sections 361.1040 to 361.1046 is subject to the penalty under**  
20 **subsection 3 of section 361.1042.**

21           **5. Failure to substantially comply with subsection 4 of this section constitutes**  
22 **grounds for the suspension of all licenses held by the licensee that were issued by the**  
23 **division.**

24           **6. The division shall not examine a licensee more than once every two years for**  
25 **compliance with section 361.1042 unless an examination within the last six months**  
26 **found the licensee to be in noncompliance with section 361.1042.**

27           **7. The division may promulgate all necessary rules and regulations for the**  
28 **administration of sections 361.1040 to 361.1046, including the adoption of rules**  
29 **governing the procedures and forms necessary to implement such sections. Any rule or**  
30 **portion of a rule, as that term is defined in section 536.010, that is created under the**  
31 **authority delegated in this section shall become effective only if it complies with and is**  
32 **subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This**  
33 **section and chapter 536 are nonseverable and if any of the powers vested with the**  
34 **general assembly pursuant to chapter 536 to review, to delay the effective date, or to**

35 **disapprove and annul a rule are subsequently held unconstitutional, then the grant of**  
36 **rulemaking authority and any rule proposed or adopted after August 28, 2026, shall be**  
37 **invalid and void.**

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