

SECOND REGULAR SESSION

HOUSE BILL NO. 1629

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HALEY.

5200H.01I

JOSEPH ENGLER, Chief Clerk

AN ACT

To amend chapter 407, RSMo, by adding thereto one new section relating to tracking of firearms purchases by financial institutions, with penalty provisions.

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

Section A. Chapter 407, RSMo, is amended by adding thereto one new section, to be known as section 407.439, to read as follows:

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

(1) "Customer", a person who uses, purchases, or obtains an account, extension of credit, or product of a financial institution or for whom a financial institution acts as a fiduciary, agent, or custodian or in another representative capacity;

(2) "Disclosure", the transfer, publication, or distribution of protected financial information to another person or entity for any purpose other than to process or facilitate a payment card transaction;

(3) "Financial institution", any state bank, state trust company, savings and loan association, federally chartered credit union doing business in this state, credit union chartered by the state of Missouri, national bank, broker-dealer, mutual fund, insurance company, or other similar financial entity qualified to do business in this state;

(4) "Financial record", a record held by a financial institution related to a payment card transaction that the financial institution has processed or facilitated;

(5) "Firearms code", the Merchant Category Code 5723 approved in September of 2022 by the International Organization for Standardization for firearms retailers;

(6) "Firearms retailer", any person or entity engaged in the lawful business of selling or trading firearms or ammunition to be used in firearms.

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.

18 **2. (1) A financial institution or its agent shall not require the usage of the**
19 **firearms code in a way that distinguishes a firearms retailer physically located in the**
20 **state of Missouri from Missouri general merchandise retailers or sporting goods**
21 **retailers.**

22 **(2) A financial institution shall not discriminate against a firearms retailer by:**

23 **(a) Declining a lawful payment card transaction based solely on the assignment**
24 **or nonassignment of a firearms code to the merchant or transaction;**

25 **(b) Limiting or declining to do business with a customer, potential customer, or**
26 **merchant based on the assignment or nonassignment of a firearms code to previous**
27 **lawful transactions involving the customer, potential customer, or merchant;**

28 **(c) Charging a higher transaction or interchange fee to any merchant or for a**
29 **lawful transaction based on the assignment or nonassignment of a firearms code; or**

30 **(d) Otherwise taking any action against a customer or merchant that is intended**
31 **to suppress lawful commerce involving firearms, firearm accessories or components, or**
32 **ammunition, which action is based solely or in part on the customer's or merchant's**
33 **business involving firearms, firearm accessories or components, or ammunition.**

34 **(3) Except as otherwise required by law, a financial institution shall not disclose**
35 **a financial record, including a firearms code, that was collected in violation of this**
36 **section.**

37 **3. (1) The attorney general shall investigate alleged violations of this section and,**
38 **upon finding a violation, shall provide written notice to any individual or entity, public**
39 **or private, believed to be in violation of this section. Upon receipt of such written notice**
40 **from the attorney general, the individual or entity shall cease any violation of this**
41 **section within thirty calendar days.**

42 **(2) Either a firearms retailer physically located in Missouri whose business was**
43 **the subject of an alleged violation of this section or a customer who transacted at a**
44 **firearms retailer physically located in Missouri whose business was the subject of an**
45 **alleged violation of this section may petition the attorney general to investigate the**
46 **alleged violation in accordance with subdivision (1) of this subsection.**

47 **(3) If the attorney general does not commence an action within ninety days of**
48 **receiving a petition under this subsection, the firearms retailer or customer may file an**
49 **action in court to enjoin the violation.**

50 **(4) If an individual or entity is found to be in violation of this section and fails to**
51 **cease the violation after the expiration of thirty calendar days from the receipt of**
52 **written notice by the attorney general's office, the attorney general shall pursue an**
53 **injunction against any such individual or entity, public or private, alleged to be in**
54 **violation of this section. The attorney general shall pursue an injunction under this**

55 subdivision in a court of competent jurisdiction in the county where the alleged violation
56 occurred against the individual or entity in alleged violation of this section.

57 (5) If a court finds that an individual or entity continues to be in violation of this
58 section after thirty calendar days from receiving written notice from the attorney
59 general in accordance with subdivision (1) of this subsection or from a finding by the
60 court of a violation of this section in an action commenced under subdivision (3) of this
61 subsection, the court shall enjoin the individual or entity from continuing to commit the
62 violation.

63 (6) If an individual or entity knowingly and willfully fails to comply with an
64 injunction as provided in subdivision (5) of this subsection within thirty days after being
65 served with the injunction, the court shall impose a civil penalty in a sum not to exceed
66 ten thousand dollars per violation of an injunction issued under subdivision (5) of this
67 subsection committed after the expiration of the period of thirty days after the
68 individual or entity was served with the injunction. In assessing such a penalty, the
69 court shall consider factors including the financial resources of the violator and the
70 harm or risk of harm to Second Amendment rights resulting from the violation. Any
71 order assessing a penalty for violation of this section in accordance with this subdivision
72 shall be stayed pending appeal of the order.

73 (7) In addition to the remedies provided in this subsection, the attorney general
74 or a petitioner who prevails in an action under this subsection shall recover reasonable
75 expenses incurred in obtaining the civil penalty, including court costs, reasonable
76 attorney's fees, investigative costs, witness fees, and deposition expenses.

77 (8) It shall not be a defense to a civil action filed under this subsection that such
78 information was disclosed to a federal government entity unless such disclosure or
79 action was made based on a good-faith conclusion that the disclosure or action was
80 required by federal law or regulation.

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