

FIRST REGULAR SESSION

[TRULY AGREED TO AND FINALLY PASSED]

HOUSE COMMITTEE SUBSTITUTE FOR

SENATE SUBSTITUTE FOR

SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 398

102ND GENERAL ASSEMBLY

2023

1413H.07T

AN ACT

To repeal sections 144.020, 144.070, 304.820, 407.812, and 407.828, RSMo, and to enact in lieu thereof twenty-five new sections relating to motor vehicles, with penalty provisions.

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

Section A. Sections 144.020, 144.070, 304.820, 407.812,
2 and 407.828, RSMo, are repealed and twenty-five new sections
3 enacted in lieu thereof, to be known as sections 144.020,
4 144.070, 303.420, 303.422, 303.425, 303.430, 303.440, 304.822,
5 407.812, 407.828, 407.2020, 407.2025, 407.2030, 407.2035,
6 407.2040, 407.2045, 407.2050, 407.2055, 407.2060, 407.2065,
7 407.2070, 407.2075, 407.2080, 407.2085, and 407.2090, to read
8 as follows:

144.020. 1. A tax is hereby levied and imposed for
2 the privilege of titling new and used motor vehicles,
3 trailers, boats, and outboard motors purchased or acquired
4 for use on the highways or waters of this state which are
5 required to be titled under the laws of the state of
6 Missouri and, except as provided in subdivision (9) of this
7 subsection, upon all sellers for the privilege of engaging
8 in the business of selling tangible personal property or

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

9 rendering taxable service at retail in this state. The rate
10 of tax shall be as follows:

11 (1) Upon every retail sale in this state of tangible
12 personal property, excluding motor vehicles, trailers,
13 motorcycles, mopeds, motortricycles, boats and outboard
14 motors required to be titled under the laws of the state of
15 Missouri and subject to tax under subdivision (9) of this
16 subsection, a tax equivalent to four percent of the purchase
17 price paid or charged, or in case such sale involves the
18 exchange of property, a tax equivalent to four percent of
19 the consideration paid or charged, including the fair market
20 value of the property exchanged at the time and place of the
21 exchange, except as otherwise provided in section 144.025;

22 (2) A tax equivalent to four percent of the amount
23 paid for admission and seating accommodations, or fees paid
24 to, or in any place of amusement, entertainment or
25 recreation, games and athletic events, except amounts paid
26 for any instructional class;

27 (3) A tax equivalent to four percent of the basic rate
28 paid or charged on all sales of electricity or electrical
29 current, water and gas, natural or artificial, to domestic,
30 commercial or industrial consumers;

31 (4) (a) A tax equivalent to four percent on the basic
32 rate paid or charged on all sales of local and long distance
33 telecommunications service to telecommunications subscribers
34 and to others through equipment of telecommunications
35 subscribers for the transmission of messages and
36 conversations and upon the sale, rental or leasing of all
37 equipment or services pertaining or incidental thereto;
38 except that, the payment made by telecommunications
39 subscribers or others, pursuant to section 144.060, and any
40 amounts paid for access to the internet or interactive

41 computer services shall not be considered as amounts paid
42 for telecommunications services;

43 (b) If local and long distance telecommunications
44 services subject to tax under this subdivision are
45 aggregated with and not separately stated from charges for
46 telecommunications service or other services not subject to
47 tax under this subdivision, including, but not limited to,
48 interstate or international telecommunications services,
49 then the charges for nontaxable services may be subject to
50 taxation unless the telecommunications provider can identify
51 by reasonable and verifiable standards such portion of the
52 charges not subject to such tax from its books and records
53 that are kept in the regular course of business, including,
54 but not limited to, financial statement, general ledgers,
55 invoice and billing systems and reports, and reports for
56 regulatory tariffs and other regulatory matters;

57 (c) A telecommunications provider shall notify the
58 director of revenue of its intention to utilize the
59 standards described in paragraph (b) of this subdivision to
60 determine the charges that are subject to sales tax under
61 this subdivision. Such notification shall be in writing and
62 shall meet standardized criteria established by the
63 department regarding the form and format of such notice;

64 (d) The director of revenue may promulgate and enforce
65 reasonable rules and regulations for the administration and
66 enforcement of the provisions of this subdivision. Any rule
67 or portion of a rule, as that term is defined in section
68 536.010, that is created under the authority delegated in
69 this section shall become effective only if it complies with
70 and is subject to all of the provisions of chapter 536 and,
71 if applicable, section 536.028. This section and chapter
72 536 are nonseverable and if any of the powers vested with

73 the general assembly pursuant to chapter 536 to review, to
74 delay the effective date, or to disapprove and annul a rule
75 are subsequently held unconstitutional, then the grant of
76 rulemaking authority and any rule proposed or adopted after
77 August 28, 2019, shall be invalid and void;

78 (5) A tax equivalent to four percent of the basic rate
79 paid or charged for all sales of services for transmission
80 of messages of telegraph companies;

81 (6) A tax equivalent to four percent on the amount of
82 sales or charges for all rooms, meals and drinks furnished
83 at any hotel, motel, tavern, inn, restaurant, eating house,
84 drugstore, dining car, tourist cabin, tourist camp or other
85 place in which rooms, meals or drinks are regularly served
86 to the public. The tax imposed under this subdivision shall
87 not apply to any automatic mandatory gratuity for a large
88 group imposed by a restaurant when such gratuity is reported
89 as employee tip income and the restaurant withholds income
90 tax under section 143.191 on such gratuity;

91 (7) A tax equivalent to four percent of the amount
92 paid or charged for intrastate tickets by every person
93 operating a railroad, sleeping car, dining car, express car,
94 boat, airplane and such buses and trucks as are licensed by
95 the division of motor carrier and railroad safety of the
96 department of economic development of Missouri, engaged in
97 the transportation of persons for hire;

98 (8) A tax equivalent to four percent of the amount
99 paid or charged for rental or lease of tangible personal
100 property, provided that if the lessor or renter of any
101 tangible personal property had previously purchased the
102 property under the conditions of sale at retail or leased or
103 rented the property and the tax was paid at the time of
104 purchase, lease or rental, the lessor, sublessor, renter or

105 subrenter shall not apply or collect the tax on the
106 subsequent lease, sublease, rental or subrental receipts
107 from that property. The purchase, rental or lease of motor
108 vehicles, trailers, motorcycles, mopeds, motortricycles,
109 boats, and outboard motors shall be taxed and the tax paid
110 as provided in this section and section 144.070. In no
111 event shall the rental or lease of boats and outboard motors
112 be considered a sale, charge, or fee to, for or in places of
113 amusement, entertainment or recreation nor shall any such
114 rental or lease be subject to any tax imposed to, for, or in
115 such places of amusement, entertainment or recreation.

116 Rental and leased boats or outboard motors shall be taxed
117 under the provisions of the sales tax laws as provided under
118 such laws for motor vehicles and trailers. Tangible
119 personal property which is exempt from the sales or use tax
120 under section 144.030 upon a sale thereof is likewise exempt
121 from the sales or use tax upon the lease or rental thereof;

122 (9) A tax equivalent to four percent of the purchase
123 price, as defined in section 144.070, of new and used motor
124 vehicles, trailers, boats, and outboard motors purchased or
125 acquired for use on the highways or waters of this state
126 which are required to be registered under the laws of the
127 state of Missouri. This tax is imposed on the person
128 titling such property, and shall be paid according to the
129 procedures in section **144.070 or** 144.440.

130 2. All tickets sold which are sold under the
131 provisions of this chapter which are subject to the sales
132 tax shall have printed, stamped or otherwise endorsed
133 thereon, the words "This ticket is subject to a sales tax."

144.070. 1. At the time the owner of any new or used
2 motor vehicle, trailer, boat, or outboard motor which was
3 acquired in a transaction subject to sales tax under the

4 Missouri sales tax law makes application to the director of
5 revenue for an official certificate of title and the
6 registration of the motor vehicle, trailer, boat, or
7 outboard motor as otherwise provided by law, the owner shall
8 present to the director of revenue evidence satisfactory to
9 the director of revenue showing the purchase price exclusive
10 of any charge incident to the extension of credit paid by or
11 charged to the applicant in the acquisition of the motor
12 vehicle, trailer, boat, or outboard motor, or that no sales
13 tax was incurred in its acquisition, and if sales tax was
14 incurred in its acquisition, the applicant shall pay or
15 cause to be paid to the director of revenue the sales tax
16 provided by the Missouri sales tax law in addition to the
17 registration fees now or hereafter required according to
18 law, and the director of revenue shall not issue a
19 certificate of title for any new or used motor vehicle,
20 trailer, boat, or outboard motor subject to sales tax as
21 provided in the Missouri sales tax law until the tax levied
22 for the sale of the same under sections 144.010 to 144.510
23 has been paid as provided in this section or is registered
24 under the provisions of subsection 5 of this section.

25 2. As used in subsection 1 of this section, the term
26 "purchase price" shall mean the total amount of the contract
27 price agreed upon between the seller and the applicant in
28 the acquisition of the motor vehicle, trailer, boat, or
29 outboard motor, regardless of the medium of payment therefor.

30 3. In the event that the purchase price is unknown or
31 undisclosed, or that the evidence thereof is not
32 satisfactory to the director of revenue, the same shall be
33 fixed by appraisement by the director.

34 4. The director of the department of revenue shall
35 endorse upon the official certificate of title issued by the

36 director upon such application an entry showing that such
37 sales tax has been paid or that the motor vehicle, trailer,
38 boat, or outboard motor represented by such certificate is
39 exempt from sales tax and state the ground for such
40 exemption.

41 5. Any person, company, or corporation engaged in the
42 business of renting or leasing motor vehicles, trailers,
43 boats, or outboard motors, which are to be used exclusively
44 for rental or lease purposes, and not for resale, may apply
45 to the director of revenue for authority to operate as a
46 leasing or rental company and pay an annual fee of two
47 hundred fifty dollars for such authority. Any company
48 approved by the director of revenue may pay the tax due on
49 any motor vehicle, trailer, boat, or outboard motor as
50 required in section 144.020 at the time of registration
51 thereof or in lieu thereof may pay a sales tax as provided
52 in sections 144.010, 144.020, 144.070 and 144.440. A sales
53 tax shall be charged to and paid by a leasing company which
54 does not exercise the option of paying in accordance with
55 section 144.020, on the amount charged for each rental or
56 lease agreement while the motor vehicle, trailer, boat, or
57 outboard motor is domiciled in this state. Any motor
58 vehicle, trailer, boat, or outboard motor which is leased as
59 the result of a contract executed in this state shall be
60 presumed to be domiciled in this state.

61 6. Every applicant to be a registered fleet owner as
62 described in subsections 6 to 10 of section 301.032 shall
63 furnish with the application to operate as a registered
64 fleet owner a corporate surety bond or irrevocable letter of
65 credit, as defined in section 400.5-102, issued by any state
66 or federal financial institution in the penal sum of one
67 hundred thousand dollars, on a form approved by the

68 department. The bond or irrevocable letter of credit shall
69 be conditioned upon the registered fleet owner complying
70 with the provisions of any statutes applicable to registered
71 fleet owners, and the bond shall be an indemnity for any
72 loss sustained by reason of the acts of the person bonded
73 when such acts constitute grounds for the suspension or
74 revocation of the registered fleet owner license. The bond
75 shall be executed in the name of the state of Missouri for
76 the benefit of all aggrieved parties or the irrevocable
77 letter of credit shall name the state of Missouri as the
78 beneficiary; except that, the aggregate liability of the
79 surety or financial institution to the aggrieved parties
80 shall, in no event, exceed the amount of the bond or
81 irrevocable letter of credit. The proceeds of the bond or
82 irrevocable letter of credit shall be paid upon receipt by
83 the department of a final judgment from a Missouri court of
84 competent jurisdiction against the principal and in favor of
85 an aggrieved party.

86 7. Any corporation may have one or more of its
87 divisions separately apply to the director of revenue for
88 authorization to operate as a leasing company, provided that
89 the corporation:

90 (1) Has filed a written consent with the director
91 authorizing any of its divisions to apply for such authority;

92 (2) Is authorized to do business in Missouri;

93 (3) Has agreed to treat any sale of a motor vehicle,
94 trailer, boat, or outboard motor from one of its divisions
95 to another of its divisions as a sale at retail;

96 (4) Has registered under the fictitious name
97 provisions of sections 417.200 to 417.230 each of its
98 divisions doing business in Missouri as a leasing company;

99 and

100 (5) Operates each of its divisions on a basis separate
101 from each of its other divisions. However, when the
102 transfer of a motor vehicle, trailer, boat or outboard motor
103 occurs within a corporation which holds a license to operate
104 as a motor vehicle or boat dealer pursuant to sections
105 301.550 to 301.573 the provisions in subdivision (3) of this
106 subsection shall not apply.

107 8. If the owner of any motor vehicle, trailer, boat,
108 or outboard motor desires to charge and collect sales tax as
109 provided in this section, the owner shall make application
110 to the director of revenue for a permit to operate as a
111 motor vehicle, trailer, boat, or outboard motor leasing
112 company. The director of revenue shall promulgate rules and
113 regulations determining the qualifications of such a
114 company, and the method of collection and reporting of sales
115 tax charged and collected. Such regulations shall apply
116 only to owners of motor vehicles, trailers, boats, or
117 outboard motors, electing to qualify as motor vehicle,
118 trailer, boat, or outboard motor leasing companies under the
119 provisions of subsection 5 of this section, and no motor
120 vehicle renting or leasing, trailer renting or leasing, or
121 boat or outboard motor renting or leasing company can come
122 under sections 144.010, 144.020, 144.070 and 144.440 unless
123 all motor vehicles, trailers, boats, and outboard motors
124 held for renting and leasing are included.

125 9. Any person, company, or corporation engaged in the
126 business of renting or leasing three thousand five hundred
127 or more motor vehicles which are to be used exclusively for
128 rental or leasing purposes and not for resale, and that has
129 applied to the director of revenue for authority to operate
130 as a leasing company may also operate as a registered fleet
131 owner as prescribed in section 301.032.

132 10. Beginning July 1, 2010, any motor vehicle dealer
133 licensed under section 301.560 engaged in the business of
134 selling motor vehicles or trailers [may] **shall** apply to the
135 director of revenue for authority to collect and remit the
136 sales tax required under this section on all motor vehicles
137 sold by the motor vehicle dealer. A motor vehicle dealer
138 receiving authority to collect and remit the tax is subject
139 to all provisions under sections 144.010 to 144.525. Any
140 motor vehicle dealer authorized to collect and remit sales
141 taxes on motor vehicles under this subsection shall be
142 entitled to deduct and retain an amount equal to two percent
143 of the motor vehicle sales tax pursuant to section 144.140.
144 Any amount of the tax collected under this subsection that
145 is retained by a motor vehicle dealer pursuant to section
146 144.140 shall not constitute state revenue. In no event
147 shall revenues from the general revenue fund or any other
148 state fund be utilized to compensate motor vehicle dealers
149 for their role in collecting and remitting sales taxes on
150 motor vehicles. In the event this subsection or any portion
151 thereof is held to violate Article IV, Section 30(b) of the
152 Missouri Constitution, no motor vehicle dealer shall be
153 authorized to collect and remit sales taxes on motor
154 vehicles under this section. No motor vehicle dealer shall
155 seek compensation from the state of Missouri or its agencies
156 if a court of competent jurisdiction declares that the
157 retention of two percent of the motor vehicle sales tax is
158 unconstitutional and orders the return of such revenues.

159 **11. (1) Every motor vehicle dealer licensed under**
160 **section 301.560, as soon as technologically possible**
161 **following the development and maintenance of a modernized,**
162 **integrated system for the titling of vehicles, issuance and**
163 **renewal of vehicle registrations, issuance and renewal of**

164 driver's licenses and identification cards, and perfection
165 and release of liens and encumbrances on vehicles, to be
166 funded by the motor vehicle administration technology fund
167 as created in section 301.558, shall collect and remit the
168 sales tax required under this section on all motor vehicles
169 that such dealer sells. In collecting and remitting this
170 sales tax, motor vehicle dealers shall be subject to all
171 applicable provisions under sections 144.010 to 144.527.

172 (2) The director of revenue may promulgate all
173 necessary rules and regulations for the administration of
174 this subsection. Any rule or portion of a rule, as that
175 term is defined in section 536.010, that is created under
176 the authority delegated in this subsection shall become
177 effective only if it complies with and is subject to all of
178 the provisions of chapter 536 and, if applicable, section
179 536.028. This subsection and chapter 536 are nonseverable
180 and if any of the powers vested with the general assembly
181 pursuant to chapter 536 to review, to delay the effective
182 date, or to disapprove and annul a rule are subsequently
183 held unconstitutional, then the grant of rulemaking
184 authority and any rule proposed or adopted after August 28,
185 2023, shall be invalid and void.

303.420. As used in sections 303.420 to 303.440,
2 unless the context requires otherwise, the following terms
3 shall mean:

4 (1) "Program", the motor vehicle financial
5 responsibility enforcement and compliance incentive program
6 established under section 303.425;

7 (2) "Qualified agency", the department of revenue, the
8 Missouri state highway patrol, the prosecuting attorney or
9 sheriff's office of any county or city not within a county,
10 the chiefs of police of any city or municipality, or any

11 other authorized law enforcement agency recognized by the
12 state;

13 (3) "System" or "verification system", the web-based
14 resource established under section 303.430 for online
15 verification of motor vehicle financial responsibility.

303.422. 1. There is hereby created in the state
2 treasury the "Motor Vehicle Financial Responsibility
3 Verification and Enforcement Fund", which shall consist of
4 money received by the department of revenue under sections
5 303.420 to 303.440. The state treasurer shall be custodian
6 of the fund. In accordance with sections 30.170 and 30.180,
7 the state treasurer may approve disbursements. The fund
8 shall be a dedicated fund and money in the fund shall be
9 used solely by the department of revenue for the
10 administration of sections 303.420 to 303.440.

11 2. Notwithstanding the provisions of section 33.080 to
12 the contrary, any moneys remaining in the fund at the end of
13 the biennium shall not revert to the credit of the general
14 revenue fund.

15 3. The state treasurer shall invest moneys in the fund
16 in the same manner as other funds are invested. Any
17 interest and moneys earned on such investments shall be
18 credited to the fund.

303.425. 1. (1) There is hereby created within the
2 department of revenue the motor vehicle financial
3 responsibility enforcement and compliance incentive
4 program. The department of revenue may enter into
5 contractual agreements with third-party vendors to
6 facilitate the necessary technology and equipment,
7 maintenance thereof, and associated program management
8 services.

9 (2) The department of revenue or a third-party vendor
10 shall utilize technology to compare vehicle registration
11 information with the financial responsibility information
12 accessible through the system. The department of revenue
13 shall utilize this information to identify motorists who are
14 in violation of the motor vehicle financial responsibility
15 law. The department of revenue may offer offenders under
16 this program the option of pretrial diversion as an
17 alternative to statutory fines or reinstatement fees
18 prescribed under the motor vehicle financial responsibility
19 law as a method of encouraging compliance and discouraging
20 recidivism.

21 (3) The department of revenue or third-party vendors
22 shall not use any data collected from or technology
23 associated with any automated motor vehicle financial
24 responsibility enforcement system. For purposes of this
25 subdivision, "motor vehicle financial responsibility
26 enforcement system" means a device consisting of a camera or
27 cameras and vehicle sensor or sensors installed to record
28 motor vehicle financial responsibility violations.

29 (4) All fees paid to or collected by third-party
30 vendors under sections 303.420 to 303.440 may come from
31 violator diversion fees generated by the pretrial diversion
32 option established under this section.

33 2. The department of revenue may authorize law
34 enforcement agencies or third-party vendors to use
35 technology to collect data for the investigation, detection,
36 analysis, and enforcement of the motor vehicle financial
37 responsibility law.

38 3. The department of revenue may authorize traffic
39 enforcement officers, or third-party vendors to administer
40 the processing and issuance of notices of violation, the

41 collection of fees for a violation of the motor vehicle
42 financial responsibility law, or the referral of cases for
43 prosecution, under the program.

44 4. Access to the system shall be restricted to
45 qualified agencies and the third-party vendors with which
46 the department of revenue contracts for purposes of the
47 program, provided that any third-party vendor with which a
48 contract is executed to provide necessary technology,
49 equipment, or maintenance for the program shall be
50 authorized as necessary to collaborate for required updates
51 and maintenance of system software.

52 5. For purposes of the program, any data collected and
53 matched to a corresponding vehicle insurance record as
54 verified through the system, and any Missouri vehicle
55 registration database, may be used to identify violations of
56 the motor vehicle financial responsibility law. Such
57 corresponding data shall constitute evidence of the
58 violations.

59 6. Except as otherwise provided in this section, the
60 department of revenue shall suspend, in accordance with
61 section 303.041, the registration of any motor vehicle that
62 is determined under the program to be in violation of the
63 motor vehicle financial responsibility law.

64 7. The department of revenue shall send to an owner
65 whose vehicle is identified under the program as being in
66 violation of the motor vehicle financial responsibility law
67 a notice that the vehicle's registration may be suspended
68 unless the owner, within thirty days, provides proof of
69 financial responsibility for the vehicle or proof, in a form
70 specified by the department of revenue, that the owner has a
71 pending criminal charge for a violation of the motor vehicle
72 financial responsibility law. The notice shall include

73 information on steps an individual may take to obtain proof
74 of financial responsibility and a web address to a page on
75 the department of revenue's website where information on
76 obtaining proof of financial responsibility shall be
77 provided. If proof of financial responsibility or a pending
78 criminal charge is not provided within the time allotted,
79 the department of revenue shall provide a notice of
80 suspension and suspend the vehicle's registration in
81 accordance with section 303.041, or shall send a notice of
82 vehicle registration suspension, clearly specifying the
83 reason and statutory grounds for the suspension and the
84 effective date of the suspension, the right of the vehicle
85 owner to request a hearing, the procedure for requesting a
86 hearing, and the date by which that request for a hearing
87 must be made, as well as informing the owner that the matter
88 will be referred for prosecution if a satisfactory response
89 is not received in the time allotted, informing the owner
90 that the minimum penalty for the violation is three hundred
91 dollars and four license points, and offering the owner
92 participation in a pretrial diversion option to preclude
93 referral for prosecution and registration suspension under
94 sections 303.420 to 303.440. The notice of vehicle
95 registration suspension shall give a period of thirty-three
96 days from mailing for the vehicle owner to respond, and
97 shall be deemed received three days after mailing. If no
98 request for a hearing or agreement to participate in the
99 diversion option is received by the department of revenue
100 prior to the date provided on the notice of vehicle
101 registration suspension, the director shall suspend the
102 vehicle's registration, effective immediately, and refer the
103 case to the appropriate prosecuting attorney. If an
104 agreement by the vehicle owner to participate in the

105 diversion option is received by the department of revenue
106 prior to the effective date provided on the notice of
107 vehicle registration suspension, then upon payment of a
108 diversion participation fee not to exceed two hundred
109 dollars, agreement to secure proof of financial
110 responsibility within the time provided on the notice of
111 suspension, and agreement that such financial responsibility
112 shall be maintained for a minimum of two years, no points
113 shall be assessed to the vehicle owner's driver's license
114 under section 302.302 and the department of revenue shall
115 not take further action against the vehicle owner under
116 sections 303.420 to 303.440, subject to compliance with the
117 terms of the pretrial diversion option. The department of
118 revenue shall suspend the vehicle registration of, and shall
119 refer the case to the appropriate prosecuting attorney for
120 prosecution of, participating vehicle owners who violate the
121 terms of the pretrial diversion option. If a request for
122 hearing is received by the department of revenue prior to
123 the effective date provided on the notice of vehicle
124 registration suspension, then for all purposes other than
125 eligibility for participation in the diversion option, the
126 effective date of the suspension shall be stayed until a
127 final order is issued following the hearing. The department
128 of revenue shall suspend the registration of vehicles
129 determined under the final order to have violated the motor
130 vehicle financial responsibility law, and shall refer the
131 case to the appropriate prosecuting attorney for
132 prosecution. Notices under this subsection shall be mailed
133 to the vehicle owner at the last known address shown on the
134 department of revenue's records. The department of revenue
135 or its third-party vendor shall issue receipts for the
136 collection of diversion participation fees. Except as

137 otherwise provided in subsection 1 of this section, all such
138 fees shall be deposited into the motor vehicle financial
139 responsibility verification and enforcement fund established
140 in section 303.422. A vehicle owner whose registration has
141 been suspended under sections 303.420 to 303.440 may obtain
142 reinstatement of the registration upon providing proof of
143 financial responsibility and payment to the department of
144 revenue of a nonrefundable reinstatement fee equal to the
145 fee that would be applicable under subsection 2 of section
146 303.042 if the registration had been suspended under section
147 303.041.

148 8. Data collected or retained under the program shall
149 not be used by any entity for purposes other than
150 enforcement of the motor vehicle financial responsibility
151 law. Data collected and stored by law enforcement under the
152 program shall be considered evidence if noncompliance with
153 the motor vehicle financial responsibility law is
154 confirmed. The evidence, and an affidavit stating that the
155 evidence and system have identified a particular vehicle as
156 being in violation of the motor vehicle financial
157 responsibility law, shall constitute probable cause for
158 prosecution and shall be forwarded in accordance with
159 subsection 7 of this section to the appropriate prosecuting
160 attorney.

161 9. Owners of vehicles identified under the program as
162 being in violation of the motor vehicle financial
163 responsibility law shall be provided with options for
164 disputing such claims which do not require appearance at any
165 state or local court of law, or administrative facility.
166 Any person who presents timely proof that he or she was in
167 compliance with the motor vehicle financial responsibility
168 law at the time of the alleged violation shall be entitled

169 to dismissal of the charge with no assessment of fees or
170 fines. Proof provided by a vehicle owner to the department
171 of revenue that the vehicle was in compliance at the time of
172 the suspected violation of the motor vehicle financial
173 responsibility law shall be recorded in the system
174 established by the department of revenue under section
175 303.430.

176 10. The collection of data pursuant to this section
177 shall be done in a manner that prohibits any bias towards a
178 specific community, race, gender, or socioeconomic status of
179 vehicle owner.

180 11. Law enforcement agencies, third-party vendors, or
181 other entities authorized to operate under the program shall
182 not sell data collected or retained under the program for
183 any purpose or share it for any purpose not expressly
184 authorized in this section. All data shall be secured and
185 any third-party vendor or other entity authorized to operate
186 under the program may be liable for any data security breach.

187 12. The department of revenue shall not take action
188 under sections 303.420 to 303.440 against vehicles
189 registered as fleet vehicles under section 301.032, or
190 against vehicles known to the department of revenue to be
191 insured under a policy of commercial auto coverage, as such
192 term is defined in subdivision (10) of subsection 2 of
193 section 303.430.

194 13. Following one year after the implementation of the
195 program, and every year thereafter, the department of
196 revenue shall provide a report to the president pro tempore
197 of the senate, the speaker of the house of representatives,
198 the chairs of the house and senate committees with
199 jurisdictions over insurance or transportation matters, and
200 the chairs of the house budget and senate appropriations

201 committees. The report shall include an evaluation of
202 program operations, information as to the costs of the
203 program incurred by the department of revenue, insurers, and
204 the public, information as to the effectiveness of the
205 program in reducing the number of uninsured motor vehicles,
206 and anonymized demographic information including the race
207 and zip code of vehicle owners identified under the program
208 as being in violation of the motor vehicle financial
209 responsibility law, and may include any additional
210 information and recommendations for improvement of the
211 program deemed appropriate by the department of revenue.
212 The department of revenue may, by rule, require the state,
213 counties, and municipalities to provide information in order
214 to complete the report.

215 14. The department of revenue may promulgate rules as
216 necessary for the implementation of this section. Any rule
217 or portion of a rule, as that term is defined in section
218 536.010, that is created under the authority delegated in
219 this section shall become effective only if it complies with
220 and is subject to all of the provisions of chapter 536 and,
221 if applicable, section 536.028. This section and chapter
222 536 are nonseverable and if any of the powers vested with
223 the general assembly pursuant to chapter 536 to review, to
224 delay the effective date, or to disapprove and annul a rule
225 are subsequently held unconstitutional, then the grant of
226 rulemaking authority and any rule proposed or adopted after
227 August 28, 2023, shall be invalid and void.

303.430. 1. The department of revenue shall establish
2 and maintain a web-based system for the verification of
3 motor vehicle financial responsibility, shall provide access
4 to insurance reporting data and vehicle registration and
5 financial responsibility data, and shall require motor

6 vehicle insurers to establish functionality for the
7 verification system, as provided in sections 303.420 to
8 303.440. The verification system, including any exceptions
9 as provided for in sections 303.420 to 303.440 or in the
10 implementation guide developed to support the program, shall
11 supersede any existing verification system, and shall be the
12 sole system used for the purpose of verifying financial
13 responsibility required under this chapter.

14 2. The system established pursuant to subsection 1 of
15 this section shall be subject to the following:

16 (1) The verification system shall transmit requests to
17 insurers for verification of motor vehicle insurance
18 coverage via web services established by the insurers
19 through the internet in compliance with the specifications
20 and standards of the Insurance Industry Committee on Motor
21 Vehicle Administration, or "IICMVA". Insurance company
22 systems shall respond to each request with a prescribed
23 response upon evaluation of the data provided in the
24 request. The system shall include appropriate protections
25 to secure its data against unauthorized access, and the
26 department of revenue shall maintain a historical record of
27 the system data for a period of no more than twelve months
28 from the date of all requests and responses. The system
29 shall be used for verification of the financial
30 responsibility required under this chapter. The system
31 shall be accessible to authorized personnel of the
32 department of revenue, the courts, law enforcement
33 personnel, and other entities authorized by the state as
34 permitted by state or federal privacy laws, and it shall be
35 interfaced, wherever appropriate, with existing state
36 systems. The system shall include information enabling the
37 department of revenue to submit inquiries to insurers

38 regarding motor vehicle insurance which are consistent with
39 insurance industry and IICMVA recommendations,
40 specifications, and standards by using the following data
41 elements for greater matching accuracy: insurer National
42 Association of Insurance Commissioners, or "NAIC", company
43 code; vehicle identification number; policy number;
44 verification date; or as otherwise described in the
45 specifications and standards of the IICMVA. The department
46 of revenue shall promulgate rules to offer insurers who
47 insure one thousand or fewer vehicles within this state an
48 alternative method for verifying motor vehicle insurance
49 coverage in lieu of web services, and to provide for the
50 verification of financial responsibility when financial
51 responsibility is proven to the department to be maintained
52 by means other than a policy of motor vehicle insurance.
53 Insurers shall not be required to verify insurance coverage
54 for vehicles registered in other jurisdictions;

55 (2) The verification system shall respond to each
56 request within a time period established by the department
57 of revenue. An insurer's system shall respond within the
58 time period prescribed by the IICMVA's specifications and
59 standards. Insurer systems shall be permitted reasonable
60 system downtime for maintenance and other work with advance
61 notice to the department of revenue. Insurers shall not be
62 subject to enforcement fees or other sanctions under such
63 circumstances, or when systems are not available because of
64 emergency, outside attack, or other unexpected outages not
65 planned by the insurer and reasonably outside its control;

66 (3) The system shall assist in identifying violations
67 of the motor vehicle financial responsibility law in the
68 most effective way possible. Responses to individual
69 insurance verification requests shall have no bearing on

70 whether insurance coverage is determined to be in force at
71 the time of a claim. Claims shall be individually
72 investigated to determine the existence of coverage.
73 Nothing in sections 303.420 to 303.440 shall prohibit the
74 department of revenue from contracting with a third-party
75 vendor or vendors who have successfully implemented similar
76 systems in other states to assist in establishing and
77 maintaining this verification system;

78 (4) The department of revenue shall consult with
79 representatives of the insurance industry and may consult
80 with third-party vendors to determine the objectives,
81 details, and deadlines related to the system by
82 establishment of an advisory council. The advisory council
83 shall consist of voting members comprised of:

84 (a) The director of the department of commerce and
85 insurance, or his or her designee, who shall serve as chair;

86 (b) Two representatives of the department of revenue,
87 to be appointed by the director of the department of revenue;

88 (c) One representative of the department of commerce
89 and insurance, to be appointed by the director of the
90 department of commerce and insurance;

91 (d) Three representatives of insurance companies, to
92 be appointed by the director of the department of commerce
93 and insurance;

94 (e) One representative from the Missouri Insurance
95 Coalition;

96 (f) One representative chosen by the National
97 Association of Mutual Insurance Companies;

98 (g) One representative chosen by the American Property
99 and Casualty Insurance Association;

100 (h) One representative chosen by the Missouri
101 Independent Agents Association; and

102 (i) Such other representatives as may be appointed by
103 the director of the department of commerce and insurance;

104 (5) The department of revenue shall publish for
105 comment, and then issue, a detailed implementation guide for
106 its online verification system;

107 (6) The department of revenue and its third-party
108 vendors, if any, shall each maintain a contact person for
109 insurers during the establishment, implementation, and
110 operation of the system;

111 (7) If the department of revenue has reason to believe
112 a vehicle owner does not maintain financial responsibility
113 as required under this chapter, it may also request an
114 insurer to verify the existence of such financial
115 responsibility in a form approved by the department of
116 revenue. In addition, insurers shall cooperate with the
117 department of revenue in establishing and maintaining the
118 verification system established under this section, and
119 shall provide motor vehicle insurance policy status
120 information as provided in the rules promulgated by the
121 department of revenue;

122 (8) Every property and casualty insurance company
123 licensed to issue motor vehicle insurance or authorized to
124 do business in this state shall comply with sections 303.420
125 to 303.440, and corresponding rules promulgated by the
126 department of revenue, for the verification of such
127 insurance for every vehicle insured by that company in this
128 state;

129 (9) Insurers shall maintain a historical record of
130 insurance data for a minimum period of six months from the
131 date of policy inception or policy change for the purpose of
132 historical verification inquiries;

133 (10) For the purposes of this section, "commercial
134 auto coverage" shall mean any coverage provided to an
135 insured, regardless of number of vehicles or entities
136 covered, under a commercial coverage form and rated from a
137 commercial manual approved by the department of commerce and
138 insurance. Sections 303.420 to 303.440 shall not apply to
139 vehicles insured under commercial auto coverage; however,
140 insurers of such vehicles may participate on a voluntary
141 basis, and vehicle owners may provide proof at or subsequent
142 to the time of vehicle registration that a vehicle is
143 insured under commercial auto coverage, which the department
144 of revenue shall record in the system;

145 (11) Insurers shall provide commercial or fleet
146 automobile customers with evidence reflecting that the
147 vehicle is insured under a commercial or fleet automobile
148 liability policy. Sufficient evidence shall include an
149 insurance identification card clearly marked with a suitable
150 identifier such as "commercial auto insurance identification
151 card", "fleet auto insurance identification card", or other
152 clear identification that the vehicle is insured under a
153 fleet or commercial policy;

154 (12) Notwithstanding any provision of sections 303.420
155 to 303.440, insurers shall be immune from civil and
156 administrative liability for good faith efforts to comply
157 with the terms of sections 303.420 to 303.440;

158 (13) Nothing in this section shall prohibit an insurer
159 from using the services of a third-party vendor for
160 facilitating the verification system required under sections
161 303.420 to 303.440.

162 3. The department of revenue shall promulgate rules as
163 necessary for the implementation of sections 303.420 to
164 303.440. Any rule or portion of a rule, as that term is

165 defined in section 536.010, that is created under the
166 authority delegated in this section shall become effective
167 only if it complies with and is subject to all of the
168 provisions of chapter 536 and, if applicable, section
169 536.028. This section and chapter 536 are nonseverable and
170 if any of the powers vested with the general assembly
171 pursuant to chapter 536 to review, to delay the effective
172 date, or to disapprove and annul a rule are subsequently
173 held unconstitutional, then the grant of rulemaking
174 authority and any rule proposed or adopted after August 28,
175 2023, shall be invalid and void.

303.440. The verification system established under
2 section 303.430 shall be installed and fully operational on
3 January 1, 2025, following an appropriate testing or pilot
4 period of not less than nine months. Until the successful
5 completion of the testing or pilot period in the judgment of
6 the director of the department of revenue, no enforcement
7 action shall be taken based on the system, including but not
8 limited to action taken under the program established under
9 section 303.425.

304.822. 1. This section shall be known as the
2 "Siddens Bening Hands Free Law".

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

5 (1) "Commercial motor vehicle", the same meaning as is
6 ascribed to such term in section 302.700;

7 (2) "Electronic communication device", a portable
8 device that is used to initiate, receive, store, or view
9 communication, information, images, or data electronically;

10 (a) Such term shall include but not be limited to:
11 cellular telephones; portable telephones; text-messaging
12 devices; personal digital assistants; pagers; broadband

13 personal communication devices; electronic devices with
14 mobile data access; computers, including but not limited to
15 tablets, laptops, notebook computers, and electronic or
16 video game systems; devices capable of transmitting,
17 retrieving, or displaying a video, movie, broadcast
18 television image, or visual image; and any substantially
19 similar device that is used to initiate or receive
20 communication or store and review information, videos,
21 images, or data;

22 (b) Such term shall not include: radios; citizens band
23 radios; commercial two-way radio communication devices or
24 their functional equivalent; subscription-based emergency
25 communication devices; prescribed medical devices; amateur
26 or ham radio devices; or global positioning system
27 receivers, security, navigation, communication, or remote
28 diagnostics systems permanently affixed to the vehicle;

29 (3) "Highway", the same meaning as is ascribed to such
30 term in section 302.010;

31 (4) "Noncommercial motor vehicle", the same meaning as
32 is ascribed to such term in section 302.700;

33 (5) "Operating", the actual physical control of a
34 vehicle;

35 (6) "Operator", a person who is in actual physical
36 control;

37 (7) "School bus", the same meaning as is ascribed to
38 such term in section 302.700;

39 (8) "Voice-operated or hands-free feature or
40 function", a feature or function, whether internally
41 installed or externally attached or connected to an
42 electronic communication device, that allows a person to use
43 an electronic communication device without the use of either

44 hand, except to activate, deactivate, or initiate the
45 feature or function with a single touch or single swipe.

46 3. Except as otherwise provided in this section, while
47 operating a noncommercial motor vehicle or commercial motor
48 vehicle on any highway or property open to the public for
49 vehicular traffic in this state, no operator shall:

50 (1) Physically hold or support, with any part of his
51 or her body, an electronic communication device;

52 (2) Write, send, or read any text-based communication,
53 including but not limited to a text message, instant
54 message, email, or social media interaction on an electronic
55 communication device. This subdivision shall not apply to
56 operators of a noncommercial motor vehicle using a voice-
57 operated or hands-free feature or function that converts the
58 message to be sent as a message in a written form, provided
59 that the operator does not divert his or her attention from
60 lawful operation of the vehicle;

61 (3) Make any communication on an electronic
62 communication device, including a phone call, voice message,
63 or one-way voice communication; provided however, that this
64 prohibition shall not apply to use of a voice-operated or
65 hands-free feature or function;

66 (4) Engage in any form of electronic data retrieval or
67 electronic data communication on an electronic communication
68 device;

69 (5) Manually enter letters, numbers, or symbols into
70 any website, search engine, or application on an electronic
71 communication device;

72 (6) Watch a video or movie on an electronic
73 communication device, other than watching data related to
74 the navigation of the vehicle; or

75 (7) Record, post, send, or broadcast video, including
76 a video conference, on an electronic communication device,
77 provided that this prohibition shall not apply to electronic
78 devices used for the sole purpose of continually monitoring
79 operator behavior by recording or broadcasting video within
80 or outside the vehicle.

81 4. The operator of a school bus shall not use or
82 operate an electronic communication device while the school
83 bus is in motion unless the device is being used in a
84 similar manner as a two-way radio to allow live
85 communication between the operator and school officials or
86 public safety officials. The operator of a school bus shall
87 not use or operate an electronic communication device or a
88 two-way radio while loading or unloading passengers.

89 5. This section shall not apply to:

90 (1) Law enforcement officers or operators of emergency
91 vehicles, as such term is defined in section 304.022, who
92 are both using the electronic communication device and
93 operating the emergency vehicle in the performance of their
94 official duties;

95 (2) Operators using an electronic communication device
96 for the sole purpose of reporting an emergency situation and
97 continuing communication with emergency personnel during the
98 emergency situation;

99 (3) Operators of noncommercial motor vehicles using an
100 electronic communication device solely through a voice-
101 operated or hands-free feature or function;

102 (4) Operators of commercial motor vehicles using a
103 voice-operated or hands-free feature or function, as long as
104 the operator remains seated and is restrained by a seat belt
105 as required by law;

106 (5) Operators of commercial motor vehicles reading a
107 message displayed on a permanently installed communication
108 device designed for a commercial motor vehicle with a screen
109 that does not exceed ten inches tall by ten inches wide in
110 size;

111 (6) Operators using electronic communication devices
112 while the vehicle is lawfully stopped or parked;

113 (7) Commercial motor vehicles that are responding to a
114 request for roadside assistance, when such response is
115 conducted by a motor club as defined in section 385.450 or a
116 towing company as defined in section 304.001;

117 (8) The use of an electronic communication device to
118 relay information between a transit or for-hire vehicle
119 operator and that operator's dispatcher, provided the device
120 is mounted or affixed to the vehicle;

121 (9) The use of an electronic communication device to
122 access or view a map for navigational purposes;

123 (10) The use of an electronic communication device to
124 access or listen to an audio broadcast or digital audio
125 recording; or

126 (11) The use of an electronic communication device to
127 relay information through a transportation network company's
128 digital network to a transportation network company driver,
129 provided the device is mounted or affixed to the vehicle.

130 6. Except as otherwise provided in this subsection,
131 violation of this section shall be an infraction. Penalties
132 for violations of this section shall be as provided in this
133 subsection. Prior convictions shall be pleaded and proven
134 in the same manner as required under section 558.021.

135 (1) For a conviction under this section where there is
136 no prior conviction under this section within the preceding

137 twenty-four months, the court shall impose a fine of up to
138 one hundred fifty dollars.

139 (2) For a conviction under this section where there is
140 one prior conviction under this section within the preceding
141 twenty-four months, the court shall impose a fine of up to
142 two hundred fifty dollars.

143 (3) For a conviction under this section where there
144 are two or more prior convictions under this section in the
145 preceding twenty-four months, the court shall impose a fine
146 of up to five hundred dollars.

147 (4) For a conviction under this section where the
148 violation occurred in a work zone when workers are present,
149 as such terms are defined in section 304.580, or for a
150 conviction under this section where the violation occurred
151 in an area designated as a school zone and marked in any way
152 that would alert a reasonably prudent operator to the
153 presence of the school zone, the court shall impose a fine
154 of up to five hundred dollars.

155 (5) A violation of this section that is the proximate
156 cause of damage to property in excess of five thousand
157 dollars shall be a class D misdemeanor.

158 (6) A violation of this section that is the proximate
159 cause of serious physical injury to another person shall be
160 a class B misdemeanor.

161 (7) A violation of this section that is the proximate
162 cause of the death of another person shall be a class D
163 felony.

164 (8) A violation of this section while operating a
165 commercial motor vehicle shall be deemed a serious traffic
166 violation, as such term is defined in section 302.700, for
167 purposes of commercial driver's license disqualification
168 under section 302.755.

169 7. A law enforcement officer who stops a noncommercial
170 motor vehicle for a violation of this section shall inform
171 the operator of the operator's right to decline a search of
172 their electronic communication device. No warrant shall be
173 issued to confiscate or access an electronic communication
174 device based on a violation of this section unless the
175 violation results in serious bodily injury or death.

176 8. A violation of this section shall not be used to
177 establish probable cause for any other violation.

178 9. The provisions of this section shall be subject to
179 the reporting requirements set forth in section 590.650.

180 10. The state preempts the field of regulating the use
181 of electronic communication devices by the operators of
182 commercial and noncommercial motor vehicles. The provisions
183 of this section shall supercede any local laws, ordinances,
184 orders, rules, or regulations enacted by a county,
185 municipality, or other political subdivision to regulate the
186 use of electronic communication devices by the operator of a
187 commercial or noncommercial motor vehicle.

188 11. Prior to January 1, 2025, a law enforcement
189 officer who stops a noncommercial motor vehicle for a
190 violation of this section shall not issue a citation for a
191 violation of this section and shall only issue a warning.

192 12. No person shall be stopped, inspected, or detained
193 solely for a violation of this section.

407.812. 1. Any franchisor obtaining or renewing its
2 license after August 28, 2010, shall be bound by the
3 provisions of the MVFP act and shall comply with it, and no
4 franchise agreement made, entered, modified, or renewed
5 after August 28, 2010, shall avoid the requirements of the
6 MVFP act, or violate its provisions, and no franchise
7 agreement shall be performed after the date the franchisor's

8 license is issued or renewed in such a manner that the
9 franchisor avoids or otherwise does not conform or comply
10 with the requirements of the MVFP act. Notwithstanding the
11 effective date of any franchise agreement, all franchisor
12 licenses and renewals thereof are issued subject to all
13 provisions of the MVFP act and chapter 301 and any
14 regulations in effect upon the date of issuance, as well as
15 all future provisions of the MVFP act and chapter 301 and
16 any regulations which may become effective during the term
17 of the license.

18 2. The provisions of the MVFP act shall apply to each
19 franchise that a franchisor, manufacturer, importer, or
20 distributor has with a franchisee and all agreements between
21 a franchisee and a common entity or any person that is
22 controlled by a franchisor.

23 3. **No dealer or manufacturer licensed in this state**
24 **under sections 301.550 to 301.573 shall allow any subsidiary**
25 **or related entity to engage in the business of selling motor**
26 **vehicles, as defined in section 301.010, to retail consumers**
27 **in this state, except as otherwise permitted by law. Any**
28 **dealer or manufacturer licensed in this state shall have**
29 **standing to enforce the provisions of this subsection**
30 **provided that a franchise relationship exists between the**
31 **parties.**

32 4. **No entity controlling, controlled by, or sharing a**
33 **common parent entity or sibling entity with a licensed**
34 **dealer or manufacturer shall engage in the business of**
35 **selling motor vehicles to retail consumers in this state,**
36 **except as permitted by sections 301.550 to 301.575 and the**
37 **MVFP act. Any dealer or manufacturer licensed in this state**
38 **shall have standing to enforce the provisions of this**
39 **subsection.**

40 5. No dealer or manufacturer not licensed in this
41 state under sections 301.550 to 301.575 shall engage in the
42 business of selling motor vehicles to retail consumers in
43 this state, except as permitted by sections 301.550 to
44 301.575 and the MVFP act. Any dealer or manufacturer in
45 this state shall have standing to enforce the provisions of
46 this subsection, provided that a franchise relationship
47 exists between the parties.

48 6. Notwithstanding any provision of sections 301.550
49 to 301.575 to the contrary, a manufacturer, importer, or
50 distributor may engage in the business of selling motor
51 vehicles to retail consumers in this state from a dealership
52 if the manufacturer, importer, or distributor owned the
53 dealership and initially submitted a dealer license
54 application to the Missouri department of revenue on or
55 before August 28, 2023, provided that the license is
56 subsequently granted, and the ownership or controlling
57 interest of such dealership is not transferred, sold, or
58 conveyed to another person or entity required to be licensed
59 under this chapter.

407.828. 1. Notwithstanding any provision in a
2 franchise to the contrary, each franchisor shall specify in
3 writing to each of its franchisees in this state the
4 franchisee's obligations for preparation, delivery, and
5 warranty service on its products. The franchisor shall
6 fairly and reasonably compensate the franchisee for
7 preparation, delivery, and warranty service required of the
8 franchisee by the franchisor. The franchisor shall provide
9 the franchisee with the schedule of compensation to be paid
10 to the franchisee for parts, labor, and service, and the
11 time allowance for the performance of the labor and service

12 for the franchisee's obligations for preparation, delivery,
13 and warranty service.

14 2. The schedule of compensation shall include
15 reasonable compensation for diagnostic work, as well as
16 repair service and labor for the franchisee to meet its
17 obligations for preparation, delivery, and warranty service.

18 The schedule shall also include reasonable and adequate
19 time allowances for the diagnosis and performance of
20 preparation, delivery, and warranty service to be performed
21 in a careful and professional manner. In the determination
22 of what constitutes reasonable compensation for labor and
23 service pursuant to this section, the principal factor to be
24 given consideration shall be the prevailing wage rates being
25 charged for similar labor and service by [franchisees in the
26 market in which the franchisee is doing business, and in no
27 event shall the compensation of a franchisee for labor and
28 service be less than the rates charged by] the franchisee
29 for similar labor and service to retail customers for
30 nonwarranty labor and service[, provided that such rates are
31 reasonable]. The primary factor in determining [a fair and]
32 reasonable compensation for parts under this section shall
33 be the [prevailing amount charged for similar parts by other
34 same line-make franchisees in the market in which the
35 franchisee is doing business and the fair and reasonable
36 compensation for parts shall not be less than the] amount
37 charged by the franchisee for similar parts to retail
38 customers for nonwarranty parts[, provided that such rates
39 are reasonable. If another same line-make franchisee is not
40 available within the market, then the prevailing amount
41 charged for similar parts by other franchisees in the market
42 shall be used as the primary factor].

43 3. A franchisor shall perform all warranty
44 obligations, including recall notices; include in written
45 notices of franchisor recalls to new motor vehicle owners
46 and franchisees the expected date by which necessary parts
47 and equipment will be available to franchisees for the
48 correction of the defects; and [reasonably] compensate any
49 of the franchisees in this state for repairs required by the
50 recall. [Reasonable] Compensation for parts[,] and labor[,
51 and service] **for recall repairs** shall be determined under
52 subsection 2 of this section.

53 4. No franchisor shall require a franchisee to submit
54 a claim authorized under this section sooner than thirty
55 days after the franchisee completes the preparation,
56 delivery, or warranty service authorizing the claim for
57 preparation, delivery, or warranty service. All claims made
58 by a franchisee under this section shall be paid within
59 thirty days after their approval. All claims shall be
60 either approved or disapproved by the franchisor within
61 thirty days after their receipt on a proper form generally
62 used by the franchisor and containing the usually required
63 information therein. Any claims not specifically
64 disapproved in writing within thirty days after the receipt
65 of the form shall be considered to be approved and payment
66 shall be made within fifteen days thereafter. A franchisee
67 shall not be required to maintain defective parts for more
68 than thirty days after submission of a claim.

69 5. A franchisor shall compensate the franchisee for
70 franchisor-sponsored sales or service promotion events,
71 including but not limited to, rebates, programs, or
72 activities in accordance with established written guidelines
73 for such events, programs, or activities, which guidelines
74 shall be provided to each franchisee.

75 6. No franchisor shall require a franchisee to submit
76 a claim authorized under subsection 5 of this section sooner
77 than thirty days after the franchisee becomes eligible to
78 submit the claim. All claims made by a franchisee pursuant
79 to subsection 5 of this section for promotion events,
80 including but not limited to rebates, programs, or
81 activities shall be paid within ten days after their
82 approval. All claims shall be either approved or
83 disapproved by the franchisor within thirty days after their
84 receipt on a proper form generally used by the franchisor
85 and containing the usually required information therein.
86 Any claim not specifically disapproved in writing within
87 thirty days after the receipt of this form shall be
88 considered to be approved and payment shall be made within
89 **[ten] fifteen** days.

90 7. In calculating the retail rate customarily charged
91 by the franchisee for parts, service, and labor, the
92 following work shall not be included in the calculation:

- 93 (1) Repairs for franchisor, manufacturer, or
94 distributor special events, specials, or promotional
95 discounts for retail customer repairs;
- 96 (2) Parts sold at wholesale;
- 97 (3) Engine assemblies and transmission assemblies;
- 98 (4) Routine maintenance not covered under any retail
99 customer warranty, such as fluids, filters, and belts not
100 provided in the course of repairs;
- 101 (5) Nuts, bolts, fasteners, and similar items that do
102 not have an individual part number;
- 103 (6) Tires; and
- 104 (7) Vehicle reconditioning.

105 8. If a franchisor, manufacturer, importer, or
106 distributor furnishes a part or component to a franchisee,

107 at no cost, to use in performing repairs under a recall,
108 campaign service action, or warranty repair, the franchisor
109 shall compensate the franchisee for the part or component in
110 the same manner as warranty parts compensation under this
111 section by compensating the franchisee at the average markup
112 on the cost for the part or component as listed in the price
113 schedule of the franchisor, manufacturer, importer, or
114 distributor, less the cost for the part or component. **This**
115 **subsection shall not apply to entire engine assemblies,**
116 **propulsion engine assemblies, including electric vehicle**
117 **batteries, or entire transmission assemblies.**

118 9. A franchisor shall not require a franchisee to
119 establish the retail rate customarily charged by the
120 franchisee for parts, service, or labor by an unduly
121 burdensome or time-consuming method or by requiring
122 information that is unduly burdensome or time consuming to
123 provide, including, but not limited to, part-by-part or
124 transaction-by-transaction calculations. A franchisee shall
125 not request a franchisor to approve a different labor rate
126 or parts rate more than twice in one calendar year.

127 10. If a franchisee submits any claim under this
128 section to a franchisor that is incomplete, inaccurate, or
129 lacking any information usually required by the franchisor,
130 then the franchisor shall promptly notify the franchisee,
131 and the time limit to submit the claim shall be extended for
132 a reasonable length of time, not less than five business
133 days following notice by the franchisor to the franchisee,
134 for the franchisee to provide the complete, accurate, or
135 lacking information to the franchisor.

136 11. (1) A franchisor may only audit warranty, sales,
137 or incentive claims and charge-back to the franchisee
138 unsubstantiated claims for a period of twelve months

139 following payment, subject to all of the provisions of this
140 section. Furthermore, if the franchisor has good cause to
141 believe that a franchisee has submitted fraudulent claims,
142 then the franchisor may only audit suspected fraudulent
143 warranty, sales, or incentive claims and charge-back to the
144 franchisee fraudulent claims for a period of two years
145 following payment, subject to all provisions of this section.

146 (2) A franchisor shall not require documentation for
147 warranty, sales, or incentive claims more than twelve months
148 after the claim was paid.

149 (3) Prior to requiring any charge-back, reimbursement,
150 or credit against a future transaction arising out of an
151 audit, the franchisor shall submit written notice to the
152 franchisee along with a copy of its audit and the detailed
153 reason for each intended charge-back, reimbursement, or
154 credit.

155 **12.** A franchisee may file a complaint with the
156 administrative hearing commission **pursuant to section**
157 **407.822** within **[thirty] sixty** days after receipt of any
158 **[such]** written notice **[challenging such action]** **by a**
159 **franchisor of any adverse decision on any claim for**
160 **reimbursement submitted pursuant to this section, including,**
161 **but not limited to, specific claims for reimbursement in**
162 **individual warranty repair transactions, and requests for an**
163 **increase in labor or parts rate.** If a complaint is filed
164 within the **[thirty] sixty** days, then the **[charge-back,**
165 **reimbursement, or credit]** **denial or reduction of**
166 **reimbursement, denial of a request for an increase in labor**
167 **or parts rate, charge-back, or other determination by a**
168 **franchisor which is adverse to a franchisee** shall be stayed
169 pending a hearing and determination of the matter under
170 section 407.822. **The franchisor shall file an answer to the**

171 complaint within thirty days after service of the
172 complaint. If, following a hearing which shall be held
173 within sixty days following service of the franchisor's
174 answer, the administrative hearing commission determines
175 that [any portion of the charge-back, reimbursement, or
176 credit is improper, then that portion of the charge-back,
177 reimbursement, or credit shall be void and not allowed] a
178 franchisor has violated any requirements of this section,
179 then the denial or reduction of reimbursement, denial of a
180 request for an increase in labor or parts rate, or charge-
181 back shall be void and the franchisor shall, within fifteen
182 days of the commission's order, fairly compensate the
183 franchisee as required by the provisions of this section.
184 Section 407.835 shall apply to proceedings pursuant to this
185 section.

407.2020. For purposes of sections 407.2020 to
2 407.2090, the following terms mean:

3 (1) "Commercial transaction", a transaction involving
4 a motor vehicle in which the motor vehicle will primarily be
5 used for business purposes rather than personal purposes;

6 (2) "Consumer", an individual purchaser of a motor
7 vehicle or a borrower under a finance agreement. The term
8 "consumer" includes any borrower, as defined in section
9 407.2030, or contract holder, as defined in section
10 407.2060, as applicable;

11 (3) "Finance agreement", a loan, retail installment
12 sales contract, or lease for the purchase, refinancing, or
13 lease of a motor vehicle;

14 (4) "Free-look period", a period of time from the
15 effective date of the motor vehicle financial protection
16 product until the date the motor vehicle financial
17 protection product may be cancelled without penalty, fees,

18 or costs. This period of time shall not be shorter than
19 thirty days;

20 (5) "Insurer", an insurance company licensed,
21 registered, or otherwise authorized to issue contractual
22 liability insurance under the insurance laws of this state;

23 (6) "Motor vehicle", any self-propelled or towed
24 vehicle designed for personal or commercial use including,
25 but not limited to, automobiles, trucks, motorcycles,
26 recreational vehicles, all-terrain vehicles, snowmobiles,
27 campers, boats, personal watercraft, and related trailers;

28 (7) "Motor vehicle financial protection product", an
29 agreement that protects a consumer's financial interest in
30 his or her current or future motor vehicle. The term "motor
31 vehicle financial protection product" includes any debt
32 waiver, as defined in section 407.2030, and any vehicle
33 value protection agreement, as defined in section 407.2060;

34 (8) "Person", an individual, company, association,
35 organization, partnership, business trust, or corporation,
36 and every form of legal entity.

407.2025. 1. Motor vehicle financial protection
2 products may be offered, sold, or given to consumers in this
3 state in compliance with sections 407.2020 to 407.2090.

4 2. Any amount charged or financed for a motor vehicle
5 financial protection product shall be separately stated and
6 shall not be considered a finance charge or interest.

7 3. Any extension of credit, terms of credit, or terms
8 of the related motor vehicle sale or lease shall not be
9 conditioned upon the consumer's payment for or financing of
10 any charge for a motor vehicle financial protection product,
11 except that motor vehicle financial protection products may
12 be discounted or given at no charge in connection with the
13 purchase of other non-credit-related goods or services.

407.2030. For purposes of sections 407.2030 to
2 407.2055, the following terms mean:

3 (1) "Administrator", any person, other than an insurer
4 or creditor, who performs administrative or operational
5 functions for debt waiver programs;

6 (2) "Borrower", a debtor or retail buyer or lessee
7 under a finance agreement;

8 (3) "Creditor":

9 (a) The lender in a loan or credit transaction;

10 (b) The lessor in a lease transaction;

11 (c) Any retail seller of motor vehicles;

12 (d) The seller in commercial retail installment
13 transactions; or

14 (e) The assignee of any person described in paragraphs
15 (a) to (d) of this subdivision to whom the credit obligation
16 is payable;

17 (4) "Debt waiver", any guaranteed asset protection
18 waiver or excess wear and use waiver;

19 (5) "Excess wear and use waiver", a contractual
20 agreement in which a creditor agrees, with or without a
21 separate charge, to cancel or waive all or part of amounts
22 that may become due under a borrower's lease agreement as a
23 result of excessive wear and use of a motor vehicle, which
24 agreement shall be part of, or a separate addendum to, the
25 lease agreement. Excess wear and use waivers may also
26 cancel or waive amounts due for excess mileage;

27 (6) "Guaranteed asset protection waiver", a
28 contractual agreement in which a creditor agrees, with or
29 without a separate charge, to cancel or waive all or part of
30 amounts due on a borrower's finance agreement in the event
31 of a total physical damage loss or unrecovered theft of the
32 motor vehicle, which agreement shall be part of, or a

33 separate addendum to, the finance agreement. A guaranteed
34 asset protection waiver may also provide, with or without a
35 separate charge, a benefit that waives an amount, or
36 provides a borrower with a credit, toward the purchase of a
37 replacement motor vehicle.

407.2035. 1. (1) A retail seller shall insure its
2 debt waiver obligations under a contractual liability or
3 other insurance policy issued by an insurer. A creditor,
4 other than a retail seller, may insure its debt waiver
5 obligations under a contractual liability policy or other
6 such policy issued by an insurer. Any such insurance policy
7 may be directly obtained by a creditor or retail seller or
8 may be procured by an administrator to cover a creditor's or
9 retail seller's obligations.

10 (2) Notwithstanding the provisions of subdivision (1)
11 of this subsection, retail sellers who are lessors on motor
12 vehicles shall not be required to insure obligations related
13 to debt waivers on such leased motor vehicles.

14 2. The debt waiver remains a part of the finance
15 agreement upon the assignment, sale, or transfer of such
16 finance agreement by the creditor.

17 3. Any creditor who offers a debt waiver shall report
18 the sale of, and forward funds due to, the designated party
19 or parties.

20 4. Funds received or held by a creditor or
21 administrator and belonging to an insurer, creditor, or
22 administrator shall be held by such creditor or
23 administrator in a fiduciary capacity.

407.2040. 1. Contractual liability or other insurance
2 policies insuring debt waivers shall state the obligation of
3 the insurer to reimburse or pay to the creditor any sums the
4 creditor is legally obligated to waive under a debt waiver.

5 2. Coverage under a contractual liability or other
6 insurance policy insuring a debt waiver shall also cover any
7 subsequent assignee upon the assignment, sale, or transfer
8 of the finance agreement.

9 3. Coverage under a contractual liability or other
10 insurance policy insuring a debt waiver shall remain in
11 effect unless cancelled or terminated in compliance with
12 applicable insurance laws of this state.

13 4. The cancellation or termination of a contractual
14 liability or other insurance policy shall not reduce the
15 insurer's responsibility for debt waivers issued by the
16 creditor before the date of cancellation or termination and
17 for which premium has been received by the insurer.

 407.2045. Debt waivers shall disclose in writing and
2 in clear, understandable language that is easy to read the
3 following:

4 (1) The name and address of the initial creditor and
5 the borrower at the time of sale, and the identity of any
6 administrator if different from the creditor;

7 (2) The purchase price, if any, and the terms of the
8 debt waiver including, but not limited to, the requirements
9 for protection, conditions, or exclusions associated with
10 the debt waiver;

11 (3) A statement that the borrower may cancel the debt
12 waiver within a free-look period as specified in the debt
13 waiver and, if so cancelled, shall be entitled to a full
14 refund of the purchase price paid by the borrower, if any,
15 so long as no benefits have been provided;

16 (4) The procedure the borrower is required to follow,
17 if any, to obtain debt waiver benefits under the terms and
18 conditions of the debt waiver, including, if applicable, a

19 telephone number or website and address where the borrower
20 may apply for debt waiver benefits;

21 (5) The terms and conditions governing cancellation
22 consistent with all applicable Missouri laws; and

23 (6) A statement that any extension of credit, terms of
24 the credit, or terms of the related motor vehicle sale or
25 lease shall not be conditioned upon the borrower's purchase
26 of a debt waiver.

407.2050. 1. Debt waivers shall provide that if a
2 borrower cancels a debt waiver within the free-look period,
3 the borrower shall be entitled to a full refund of the
4 amount the borrower paid, if any, so long as no benefits
5 have been provided.

6 2. If, after the debt waiver has been in effect beyond
7 the free-look period, the borrower cancels the debt waiver
8 or there is an early termination of the finance agreement,
9 the borrower may be entitled to a refund of the amount the
10 borrower paid of the unearned portion of the purchase price,
11 if any, less a cancellation fee up to seventy-five dollars,
12 if no benefit has been or will be provided.

13 3. If the cancellation of a debt waiver occurs as a
14 result of a default under the finance agreement, the
15 repossession of the motor vehicle associated with the
16 finance agreement, or any other termination of the finance
17 agreement, any refund due may be paid directly to the
18 creditor or administrator and applied as a reduction of the
19 amount owed under the finance agreement unless the borrower
20 can show that the finance agreement has been paid in full.

407.2055. 1. Debt waivers offered by state or federal
2 banks or credit unions in compliance with applicable state
3 or federal law shall be exempt from the provisions of
4 sections 407.2020 to 407.2090.

5 2. The provisions of sections 407.2045 and 407.2080
6 shall not apply to debt waivers offered in connection with
7 commercial transactions.

 407.2060. For purposes of sections 407.2060 to
2 407.2075, the following terms mean:

3 (1) "Administrator", any person who is responsible for
4 the administrative or operational functions of vehicle value
5 protection agreements including, but not limited to, the
6 adjudication of claims or benefit requests by contract
7 holders;

8 (2) "Contract holder", a person who is the purchaser
9 or holder of a vehicle value protection agreement;

10 (3) "Provider", a person who is obligated to provide a
11 benefit under a vehicle value protection agreement. A
12 provider may perform as an administrator or retain the
13 services of a third-party administrator;

14 (4) "Vehicle value protection agreement", a
15 contractual agreement that:

16 (a) Provides a benefit toward the reduction of some or
17 all of the contract holder's current finance agreement
18 deficiency balance or toward the purchase or lease of a
19 replacement motor vehicle or motor vehicle services upon the
20 occurrence of an adverse event to the motor vehicle
21 including, but not limited to, loss, theft, damage,
22 obsolescence, diminished value, or depreciation;

23 (b) Does not include debt waivers; and

24 (c) May include agreements such as, but not limited
25 to, trade-in-credit agreements, diminished value agreements,
26 depreciation benefit agreements, or other similarly named
27 agreements.

 407.2065. 1. A provider may, but is not required to,
2 use an administrator or other designee to be responsible for

3 any and all of the administration of vehicle value
4 protection agreements in compliance with the provisions of
5 sections 407.2020 to 407.2090.

6 2. Vehicle value protection agreements shall not be
7 sold unless the contract holder has been or will be provided
8 access to a copy of the vehicle value protection agreement
9 within a reasonable time.

10 3. In order to assure the faithful performance of the
11 provider's obligations to its contract holders, each
12 provider shall comply with subdivision (1) or (2) of this
13 subsection, as follows:

14 (1) In order to satisfy the requirements of this
15 subsection under this subdivision, the provider shall insure
16 all its vehicle value protection agreements under an
17 insurance policy that pays or reimburses in the event the
18 provider fails to perform its obligations under the vehicle
19 value protection agreement and that is issued by an insurer
20 who is licensed, registered, or otherwise authorized to do
21 business in this state and who:

22 (a) Maintains surplus as to policyholders and paid-in
23 capital of at least fifteen million dollars; or

24 (b) Maintains:

25 a. Surplus as to policyholders and paid-in capital of
26 less than fifteen million dollars but at least equal to ten
27 million dollars; and

28 b. A ratio of net written premiums, wherever written,
29 to surplus as to policyholders and paid-in capital of not
30 greater than three to one; or

31 (2) In order to satisfy the requirements of this
32 subsection under this subdivision, the provider shall:

33 (a) Maintain, or together with its parent company
34 maintain, a net worth or stockholders' equity of one hundred
35 million dollars; and

36 (b) Upon request, provide the attorney general with a
37 copy of the provider's or the provider's parent company's
38 most recent Form 10-K or Form 20-F filed with the Securities
39 and Exchange Commission (SEC) within the last calendar year
40 or, if the company does not file with the SEC, a copy of the
41 company's audited financial statements, which show a net
42 worth of the provider or its parent company of at least one
43 hundred million dollars. If the provider's parent company's
44 Form 10-K, Form 20-F, or financial statements are filed to
45 meet the provider's financial security requirement, the
46 parent company shall agree to guarantee the obligations of
47 the provider relating to vehicle value protection agreements
48 sold by the provider in this state.

49 4. Except for the requirements specified in subsection
50 3 of this section, no other financial security requirements
51 shall be required for vehicle value protection agreement
52 providers.

407.2070. Vehicle value protection agreements shall
2 disclose in writing and in clear, understandable language
3 that is easy to read the following:

4 (1) The name and address of the provider, contract
5 holder, and administrator, if any;

6 (2) The terms of the vehicle value protection
7 agreement including, but not limited to, the purchase price
8 to be paid by the contract holder, if any, the requirements
9 for eligibility, the conditions of coverage, and any
10 exclusions;

11 (3) A statement that the vehicle value protection
12 agreement may be cancelled by the contract holder within a

13 free-look period as specified in the vehicle value
14 protection agreement and that in such event the contract
15 holder shall be entitled to a full refund of the purchase
16 price paid by the contract holder, if any, so long as no
17 benefits have been provided;

18 (4) The procedure the contract holder shall follow, if
19 any, to obtain a benefit under the terms and conditions of
20 the vehicle value protection agreement, including, if
21 applicable, a telephone number or website and address where
22 the contract holder may apply for a benefit;

23 (5) A statement that indicates whether the vehicle
24 value protection agreement may be cancelled after the free-
25 look period and the conditions under which it may be
26 cancelled, including the procedures for requesting any
27 refund of the unearned purchase price paid by the contract
28 holder;

29 (6) If the vehicle value protection agreement is
30 cancellable after the free-look period, a statement that any
31 refund of the unearned purchase price of the vehicle value
32 protection agreement shall be calculated on a pro rata basis;

33 (7) A statement that any extension of credit, terms of
34 the credit, or terms of the related motor vehicle sale or
35 lease shall not be conditioned upon the purchase of the
36 vehicle value protection agreement;

37 (8) The terms, restrictions, or conditions governing
38 cancellation of the vehicle value protection agreement
39 before the termination or expiration date of the vehicle
40 value protection agreement by either the provider or the
41 contract holder. The provider of the vehicle value
42 protection agreement shall mail a written notice to the
43 contract holder at the last known address of the contract
44 holder contained in the records of the provider at least

45 five days before cancellation by the provider. Prior notice
46 shall not be required if the reason for cancellation is
47 nonpayment of the provider fee, a material misrepresentation
48 by the contract holder to the provider or administrator, or
49 a substantial breach of duties by the contract holder
50 relating to the covered product or its use. The notice
51 shall state the effective date of the cancellation and the
52 reason for the cancellation. If a vehicle value protection
53 agreement is cancelled by the provider for a reason other
54 than nonpayment of the provider fee, the provider shall
55 refund to the contract holder one hundred percent of the
56 unearned pro rata provider fee paid by the contract holder,
57 if any. If coverage under the vehicle value protection
58 agreement continues after a claim, any refund may deduct
59 claims paid. A reasonable administrative fee may be charged
60 by the provider up to seventy-five dollars; and

61 (9) A statement that the agreement is not an insurance
62 contract.

407.2075. The provisions of sections 407.2070 and
2 407.2080 shall not apply to vehicle value protection
3 agreements offered in connection with a commercial
4 transaction.

407.2080. The attorney general may take action that is
2 necessary or appropriate to enforce the provisions of
3 sections 407.2020 to 407.2090 and to protect motor vehicle
4 financial protection product consumers in this state. After
5 proper notice and opportunity for hearing, the attorney
6 general may:

7 (1) Order the creditor, provider, administrator, or
8 any other person not in compliance with the provisions of
9 sections 407.2020 to 407.2090 to cease and desist from

10 product-related operations that are in violation of the
11 provisions of sections 407.2020 to 407.2090; and

12 (2) Impose a penalty of not more than five hundred
13 dollars for each violation of the provisions of sections
14 407.2020 to 407.2090 and not more than ten thousand dollars
15 in the aggregate for all violations of a similar nature. A
16 violation shall be considered of a similar nature to another
17 violation if the violation consists of the same or similar
18 course of conduct, action, or practice, irrespective of the
19 number of times the action, conduct, or practice that is
20 determined to be a violation of the provisions of sections
21 407.2020 to 407.2090 occurred.

407.2085. Notwithstanding the provisions of section
2 407.2090, all motor vehicle financial protection products
3 issued before and on and after August 28, 2023, shall not be
4 considered insurance.

407.2090. The provisions of sections 407.2020 to
2 407.2090 shall apply to all motor vehicle financial
3 protection products that become effective after February 23,
4 2024.

[304.820. 1. Except as otherwise provided
2 in this section, no person twenty-one years of
3 age or younger operating a moving motor vehicle
4 upon the highways of this state shall, by means
5 of a hand-held electronic wireless
6 communications device, send, read, or write a
7 text message or electronic message.

8 2. Except as otherwise provided in this
9 section, no person shall operate a commercial
10 motor vehicle while using a hand-held mobile
11 telephone.

12 3. Except as otherwise provided in this
13 section, no person shall operate a commercial
14 motor vehicle while using a wireless
15 communications device to send, read, or write a
16 text message or electronic message.

17 4. The provisions of subsection 1 through
18 subsection 3 of this section shall not apply to
19 a person operating:

20 (1) An authorized emergency vehicle; or

21 (2) A moving motor vehicle while using a
22 hand-held electronic wireless communications
23 device to:

24 (a) Report illegal activity;
25 (b) Summon medical or other emergency help;
26 (c) Prevent injury to a person or
27 property; or
28 (d) Relay information between a transit or
29 for-hire operator and that operator's
30 dispatcher, in which the device is permanently
31 affixed to the vehicle.

32 5. Nothing in this section shall be
33 construed or interpreted as prohibiting a person
34 from making or taking part in a telephone call,
35 by means of a hand-held electronic wireless
36 communications device, while operating a
37 noncommercial motor vehicle upon the highways of
38 this state.

39 6. As used in this section, "electronic
40 message" means a self-contained piece of digital
41 communication that is designed or intended to be
42 transmitted between hand-held electronic
43 wireless communication devices. "Electronic
44 message" includes, but is not limited to,
45 electronic mail, a text message, an instant
46 message, or a command or request to access an
47 internet site.

48 7. As used in this section, "hand-held
49 electronic wireless communications device"
50 includes any hand-held cellular phone, palm
51 pilot, blackberry, or other mobile electronic
52 device used to communicate verbally or by text
53 or electronic messaging, but shall not apply to
54 any device that is permanently embedded into the
55 architecture and design of the motor vehicle.

56 8. As used in this section, "making or
57 taking part in a telephone call" means listening
58 to or engaging in verbal communication through a
59 hand-held electronic wireless communication
60 device.

61 9. As used in this section, "send, read,
62 or write a text message or electronic message"
63 means using a hand-held electronic wireless
64 telecommunications device to manually
65 communicate with any person by using an
66 electronic message. Sending, reading, or
67 writing a text message or electronic message
68 does not include reading, selecting, or entering
69 a phone number or name into a hand-held
70 electronic wireless communications device for
71 the purpose of making a telephone call.

72 10. A violation of this section shall be
73 deemed an infraction and shall be deemed a
74 moving violation for purposes of point
75 assessment under section 302.302.

76 11. The state preempts the field of
77 regulating the use of hand-held electronic

78 wireless communications devices in motor
79 vehicles, and the provisions of this section
80 shall supercede any local laws, ordinances,
81 orders, rules, or regulations enacted by a
82 county, municipality, or other political
83 subdivision to regulate the use of hand-held
84 electronic wireless communication devices by the
85 operator of a motor vehicle.

86 12. The provisions of this section shall
87 not apply to:

88 (1) The operator of a vehicle that is
89 lawfully parked or stopped;

90 (2) Any of the following while in the
91 performance of their official duties: a law
92 enforcement officer; a member of a fire
93 department; or the operator of a public or
94 private ambulance;

95 (3) The use of factory-installed or
96 aftermarket global positioning systems (GPS) or
97 wireless communications devices used to transmit
98 or receive data as part of a digital dispatch
99 system;

100 (4) The use of voice-operated technology;

101 (5) The use of two-way radio transmitters
102 or receivers by a licensee of the Federal
103 Communications Commission in the Amateur Radio
104 Service.]

