

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 736
102ND GENERAL ASSEMBLY

3120H.06C

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 30.753, 67.2800, 67.2810, 67.2815, 67.2817, 67.2830, 67.2840, 108.170, 143.121, 361.700, 361.705, 361.707, 361.711, 361.715, 361.718, 361.720, 361.723, 361.725, 361.727, 362.1010, 362.1015, 362.1030, 362.1035, 362.1040, 362.1055, 362.1060, 362.1085, 362.1090, 362.1095, 362.1100, 362.1105, 362.1110, 362.1115, 362.1116, 362.1117, 376.1345, 379.1640, 400.1-201, 400.4A-106, 400.7-102, 407.661, 407.738, 407.830, 407.1043, 408.010, 408.035, 408.140, 415.415, 432.275, and 442.210, RSMo, and to enact in lieu thereof eighty-nine new sections relating to financial transactions, with penalty provisions.

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

Section A. Sections 30.753, 67.2800, 67.2810, 67.2815, 67.2817, 67.2830, 67.2840,
2 108.170, 143.121, 361.700, 361.705, 361.707, 361.711, 361.715, 361.718, 361.720, 361.723,
3 361.725, 361.727, 362.1010, 362.1015, 362.1030, 362.1035, 362.1040, 362.1055, 362.1060,
4 362.1085, 362.1090, 362.1095, 362.1100, 362.1105, 362.1110, 362.1115, 362.1116,
5 362.1117, 376.1345, 379.1640, 400.1-201, 400.4A-106, 400.7-102, 407.661, 407.738,
6 407.830, 407.1043, 408.010, 408.035, 408.140, 415.415, 432.275, and 442.210, RSMo, are
7 repealed and eighty-nine new sections enacted in lieu thereof, to be known as sections 30.266,
8 30.267, 30.753, 34.700, 67.2800, 67.2810, 67.2815, 67.2817, 67.2830, 67.2840, 108.170,
9 143.121, 361.900, 361.903, 361.906, 361.909, 361.912, 361.915, 361.918, 361.921, 361.924,
10 361.927, 361.930, 361.933, 361.936, 361.939, 361.942, 361.945, 361.948, 361.951, 361.954,
11 361.957, 361.960, 361.963, 361.966, 361.969, 361.972, 361.975, 361.978, 361.981, 361.984,
12 361.987, 361.990, 361.996, 361.999, 361.1002, 361.1005, 361.1008, 361.1011, 361.1014,
13 361.1017, 361.1020, 361.1023, 361.1026, 361.1029, 361.1032, 361.1035, 362.1010,
14 362.1015, 362.1030, 362.1035, 362.1040, 362.1055, 362.1060, 362.1085, 362.1090,

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

15 362.1095, 362.1100, 362.1105, 362.1110, 362.1115, 362.1116, 362.1117, 376.1345,
16 379.1640, 400.1-201, 400.4A-106, 400.7-102, 407.661, 407.738, 407.830, 407.1043,
17 408.010, 408.035, 408.140, 415.415, 427.300, 432.275, and 442.210, to read as follows:

2 **30.266. 1. For purposes of this section, the term "specie" has the same meaning**
3 **as in section 408.010.**

4 **2. The state treasurer may keep in the custody of the state treasury an amount of**
5 **specie less than or equal to one percent of total state investment holdings, as required by**
6 **Article IV, Section 15 of the Constitution of Missouri.**

7 **3. Nothing in this section shall require the state treasurer to invest any state**
8 **funds and funds received from the United States government in a manner inconsistent**
9 **with Article IV, Section 15 of the Constitution of Missouri or Article I, Section 10 of the**
10 **Constitution of the United States.**

11 **4. The treasurer may promulgate all necessary rules and regulations for the**
12 **administration of this section including, but not limited to, providing secure storage of**
13 **gold and silver under subsection 2 of this section without additional cost to the state.**
14 **Any rule or portion of a rule, as that term is defined in section 536.010, that is created**
15 **under the authority delegated in this section shall become effective only if it complies**
16 **with and is subject to all of the provisions of chapter 536 and, if applicable, section**
17 **536.028. This section and chapter 536 are nonseverable and if any of the powers vested**
18 **with the general assembly pursuant to chapter 536 to review, to delay the effective date,**
19 **or to disapprove and annul a rule are subsequently held unconstitutional, then the grant**
20 **of rulemaking authority and any rule proposed or adopted after January 1, 2025, shall**
21 **be invalid and void.**

5. This section shall become effective on January 1, 2025.

30.267. 1. Beginning July 1, 2025, there is hereby established the "Task Force on
2 **Gold and Silver", which shall be composed of the following members:**

3 **(1) Two members of the senate from the majority party and one member of the**
4 **senate from the minority party, appointed by the president pro tempore of the senate;**

5 **(2) Two members of the house from the majority party and one member of the**
6 **house from the minority party, appointed by the speaker of the house of representatives;**

7 **(3) The state treasurer, or his or her designee, who shall serve as chair of the task**
8 **force;**

9 **(4) The commissioner of the division of finance, or his or her designee, who shall**
10 **serve as the vice chair; and**

11 **(5) The director of revenue, or his or her designee.**

12 **2. The task force shall examine the practicality of issuing gold and silver coinage**
13 **as specie in a manner consistent with Article I, Section 10 of the Constitution of the**

14 **United States and examine the possibility of the state accepting gold and silver in**
15 **payment of obligations to the state.**

16 **3. The task force shall provide a preliminary report of its findings to the general**
17 **assembly by December 31, 2025, and provide a final report to the general assembly no**
18 **later than June 30, 2026. The task force may, in its discretion, provide additional**
19 **information to the general assembly; however, no such information shall be provided**
20 **after June 30, 2026.**

21 **4. This section shall expire on July 1, 2027.**

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

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

34.700. 1. A public entity shall not:

2 **(1) Accept a payment using central bank digital currency; or**

3 **(2) Participate in any test of central bank digital currency by any Federal**
4 **Reserve branch.**

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

6 **(1) "Central bank digital currency" has the same meaning as in section 400.1-**
7 **201;**

8 **(2) "Public entity", the state of Missouri or any political subdivision thereof,**
9 **including all boards, commissions, agencies, institutions, authorities, and bodies politic**
10 **and corporate of the state created by or in accordance with state law or regulations.**

67.2800. 1. Sections 67.2800 to 67.2840 shall be known and may be cited as the
2 "Property Assessment Clean Energy Act".

3 2. As used in sections 67.2800 to 67.2840, the following words and terms shall mean:

4 (1) "Assessment contract", a contract entered into between a clean energy
5 development board and a property owner under which the property owner agrees to pay an
6 annual assessment for a period of up to ~~twenty~~ **thirty** years not to exceed the weighted
7 average useful life of the qualified improvements in exchange for financing of an energy
8 efficiency improvement or a renewable energy improvement;

9 (2) "Authority", the state environmental improvement and energy resources authority
10 established under section 260.010;

11 (3) "Bond", any bond, note, or similar instrument issued by or on behalf of a clean
12 energy development board;

13 (4) "Clean energy conduit financing", the financing of energy efficiency
14 improvements or renewable energy improvements for a single parcel of property or a
15 unified development consisting of multiple adjoining parcels of property under section
16 67.2825;

17 (5) "Clean energy development board", a board formed by one or more municipalities
18 under section 67.2810;

19 (6) "Director", the director of the division of finance within the department of
20 commerce and insurance;

21 (7) "Division", the division of finance within the department of commerce and
22 insurance;

23 (8) "Energy efficiency improvement", any acquisition, installation, or modification on
24 or of publicly or privately owned property designed to reduce the energy consumption of such
25 property, including but not limited to:

26 (a) Insulation in walls, roofs, attics, floors, foundations, and heating and cooling
27 distribution systems;

28 (b) Storm windows and doors, multiglazed windows and doors, heat-absorbing or
29 heat-reflective windows and doors, and other window and door improvements designed to
30 reduce energy consumption;

31 (c) Automatic energy control systems;

32 (d) Heating, ventilating, or air conditioning distribution system modifications and
33 replacements;

34 (e) Caulking and weatherstripping;

35 (f) Replacement or modification of lighting fixtures to increase energy efficiency of
36 the lighting system without increasing the overall illumination of the building unless the
37 increase in illumination is necessary to conform to applicable state or local building codes;

38 (g) Energy recovery systems; and

39 (h) Daylighting systems;

40 (9) "Municipality", any county, city, or incorporated town or village of this state;

41 (10) "Program administrator", an individual or entity selected by the clean energy
42 development board to administer the PACE program, but this term does not include an
43 employee of a county or municipal government assigned to a clean energy development board
44 or a public employee employed by a clean energy development board who is paid from
45 appropriated general tax revenues;

46 (11) "Project", any energy efficiency improvement or renewable energy
47 improvement;

48 (12) "Property assessed clean energy local finance fund", a fund that may be
49 established by the authority for the purpose of making loans to clean energy development
50 boards to establish and maintain property assessed clean energy programs;

51 (13) "Property assessed clean energy program" or "PACE program", a program
52 established by a clean energy development board to finance energy efficiency improvements
53 or renewable energy improvements under section 67.2820;

54 (14) "Renewable energy improvement", any acquisition and installation of a fixture,
55 product, system, device, or combination thereof on publicly or privately owned property that
56 produces energy from renewable resources, including, but not limited to photovoltaic
57 systems, solar thermal systems, wind systems, biomass systems, or geothermal systems.

58 3. All projects undertaken under sections 67.2800 to 67.2840 are subject to the
59 applicable municipality's ordinances and regulations, including but not limited to those
60 ordinances and regulations concerning zoning, subdivision, building, fire safety, and historic
61 or architectural review.

62 **4. Sections 67.2800 to 67.2840 shall not apply to any assessment contract,**
63 **project, or PACE program entered into, undertaken, or established for any residential**
64 **property.**

67.2810. 1. One or more municipalities may form clean energy development boards
2 for the purpose of exercising the powers described in sections 67.2800 to 67.2840. Each
3 clean energy development board shall consist of not less than three members, as set forth in
4 the ordinance or order establishing the clean energy development board. Members shall serve
5 terms as set forth in the ordinance or order establishing the clean energy development board
6 and shall be appointed:

7 (1) If only one municipality is participating in the clean energy development board,
8 by the chief elected officer of the municipality with the consent of the governing body of the
9 municipality; or

10 (2) If more than one municipality is participating, in a manner agreed to by all
11 participating municipalities.

12 2. A clean energy development board shall be a political subdivision of the state and
13 shall have all powers necessary and convenient to carry out and effectuate the provisions of
14 sections 67.2800 to 67.2840, including but not limited to the following:

15 (1) To adopt, amend, and repeal bylaws, which are not inconsistent with sections
16 67.2800 to 67.2840;

17 (2) To adopt an official seal;

18 (3) To sue and be sued;

19 (4) To make and enter into contracts and other instruments with public and private
20 entities;

21 (5) To accept grants, guarantees, and donations of property, labor, services, and other
22 things of value from any public or private source, **including the acquisition of loans or**
23 **assessment contracts from other states or their municipalities and political subdivisions**
24 **to serve a common purpose of providing financing support or credit enhancement for**
25 **any project;**

26 (6) To employ or contract for such managerial, legal, technical, clerical, accounting,
27 or other assistance it deems advisable;

28 (7) To levy and collect special assessments under an assessment contract with a
29 property owner and to record such special assessments as a lien on the property;

30 (8) To borrow money from any public or private source and issue bonds and provide
31 security for the repayment of the same;

32 (9) To finance a project under an assessment contract;

33 (10) To collect reasonable fees and charges in connection with making and servicing
34 assessment contracts and in connection with any technical, consultative, or project assistance
35 services offered;

36 (11) To invest any funds not required for immediate disbursement in obligations of
37 the state of Missouri or of the United States or any agency or instrumentality thereof, or in

38 bank certificates of deposit; provided, however, the limitations on investments provided in
39 this subdivision shall not apply to proceeds acquired from the sale of bonds which are held by
40 a corporate trustee; and

41 (12) To take whatever actions necessary to participate in and administer a clean
42 energy conduit financing or a property assessed clean energy program.

43 3. No later than July first of each year, the clean energy development board shall file
44 with each municipality that participated in the formation of the clean energy development
45 board and with the director of the department of natural resources an annual report for the
46 preceding calendar year that includes:

47 (1) A brief description of each project financed by the clean energy development
48 board during the preceding calendar year, which shall include the physical address of the
49 property, the name or names of the property owner, an itemized list of the costs of the project,
50 and the name of any contractors used to complete the project;

51 (2) The amount of assessments due and the amount collected during the preceding
52 calendar year;

53 (3) The amount of clean energy development board administrative costs incurred
54 during the preceding calendar year;

55 (4) The estimated cumulative energy savings resulting from all energy efficiency
56 improvements financed during the preceding calendar year; and

57 (5) The estimated cumulative energy produced by all renewable energy
58 improvements financed during the preceding calendar year.

59 4. No lawsuit to set aside the formation of a clean energy development board or to
60 otherwise question the proceedings related thereto shall be brought after the expiration of
61 sixty days from the effective date of the ordinance or order creating the clean energy
62 development board. No lawsuit to set aside the approval of a project, an assessment contract,
63 or a special assessment levied by a clean energy development board, or to otherwise question
64 the proceedings related thereto shall be brought after the expiration of sixty days from the
65 date that the assessment contract is executed.

67.2815. 1. A clean energy development board shall not enter into an assessment
2 contract or levy or collect a special assessment for a project without making a finding that
3 there are sufficient resources to complete the project and that the estimated economic benefit
4 expected from the project during the financing period is equal to or greater than the cost of the
5 project.

6 2. An assessment contract shall be executed by the clean energy development board
7 and the benefitted property owner or property owners and shall provide:

8 (1) A description of the project, including the estimated cost of the project and details
9 on how the project will either reduce energy consumption or create energy from renewable
10 sources;

11 (2) A mechanism for:

12 (a) Verifying the final costs of the project upon its completion; and

13 (b) Ensuring that any amounts advanced or otherwise paid by the clean energy
14 development board toward costs of the project will not exceed the final cost of the project;

15 (3) An acknowledgment by the property owner that the property owner has received
16 or will receive a special benefit by financing a project through the clean energy development
17 board that equals or exceeds the total assessments due under the assessment contract;

18 (4) An agreement by the property owner to pay annual special assessments for a
19 period not to exceed ~~twenty~~ **thirty** years, as specified in the assessment contract;

20 (5) A statement that the obligations set forth in the assessment contract, including the
21 obligation to pay annual special assessments, are a covenant that shall run with the land and
22 be obligations upon future owners of such property; and

23 (6) An acknowledgment that no subdivision of property subject to the assessment
24 contract shall be valid unless the assessment contract or an amendment thereof divides the
25 total annual special assessment due between the newly subdivided parcels pro rata to the
26 special benefit realized by each subdivided parcel.

27 3. The total special assessments levied against a property under an assessment
28 contract shall not exceed the sum of the cost of the project, including any required energy
29 audits and inspections, or portion thereof financed through the participation in a property
30 assessed clean energy program or clean energy conduit financing, including the costs of any
31 audits or inspections required by the clean energy development board, plus such
32 administration fees, interest, and other financing costs reasonably required by the clean
33 energy development board.

34 4. The clean energy development board shall provide a copy of each signed
35 assessment contract to the local assessor and collector for the county, or city not within a
36 county, and shall cause a copy of such assessment contract to be recorded in the real estate
37 records of the recorder of deeds for the county, or city not within a county.

38 5. Special assessments agreed to under an assessment contract shall be a lien on the
39 property against which it is assessed on behalf of the applicable clean energy development
40 board from the date that each annual assessment under the assessment contract becomes due.
41 Such special assessments shall be collected by the collector for the county, or city not within a
42 county, in the same manner and with the same priority as ad valorem real property taxes~~;~~
43 ~~subject to the provisions of subsection 8 of this section~~. Once collected, the collector for the
44 county, or city not within a county, shall pay over such special assessment revenues to the

45 clean energy development board in the same manner in which revenues from ad valorem real
46 property taxes are paid to other taxing districts. Such special assessments shall be collected
47 as provided in this subsection from all subsequent property owners, including the state and all
48 political subdivisions thereof, for the term of the assessment contract.

49 6. Any clean energy development board that contracts for outside administrative
50 services to provide financing origination for a project shall offer the right of first refusal to
51 enter into such a contract to a federally insured depository institution with a physical presence
52 in Missouri upon the same terms and conditions as would otherwise be approved by the clean
53 energy development board. Such right of first refusal shall not be applicable to the
54 origination of any transaction that involves the issuance of bonds by the clean energy
55 development board.

56 7. **Except as otherwise provided in section 67.2840**, sections 67.2816, 67.2817,
57 67.2818, and 67.2819 shall apply only to PACE programs for projects to improve residential
58 properties of four or fewer units. Notwithstanding any provision of law to the contrary, any
59 clean energy development board formed to improve commercial properties, properties owned
60 by nonprofit or not-for-profit entities, governmental properties, or nonresidential properties in
61 excess of four residential units shall be exempt from the provisions of sections 67.2816,
62 67.2817, 67.2818, and 67.2819, nor shall such sections apply to the commercial PACE
63 programs and commercial PACE assessment contracts of any clean energy development
64 board engaged in both commercial and residential property programs. Notwithstanding any
65 provision of law to the contrary, any clean energy development board that ceases to finance
66 new projects to improve residential properties of four or fewer units before January 1, 2022,
67 shall be exempt from the provisions of sections 67.2816, 67.2817, 67.2818, and 67.2819.

67.2817. 1. Notwithstanding any other contractual agreement to the contrary, each
2 assessment contract shall be reviewed, approved, and executed by the clean energy
3 development board and these duties shall not be delegated. Any attempted delegations of
4 these duties shall be void.

5 2. An assessment contract shall not be approved, executed, submitted, or otherwise
6 presented for recording unless a clean energy development board verifies that the following
7 criteria are satisfied:

8 (1) The PACE assessments are assessed in equal annual installments;

9 (2) The PACE assessment may be paid in full at any time without prepayment
10 penalty. The pay-off letter shall specify the amount of any fee or charge by a lender or loan
11 service agent to obtain the total balance due. The release of the assessment shall be recorded
12 within thirty days of the receipt of the amounts identified in the pay-off letter;

13 (3) The assessment contract shall disclose applicable penalties, interest penalties, or
14 late fees under the contract and describe generally the interest and penalties imposed under
15 chapter 140 relating to the collection of delinquent property taxes;

16 (4) The clean energy development board shall provide a separate statement to the
17 owner of the residential property of the penalties or late fees authorized under the assessment
18 contract and of the penalties and interest penalties under chapter 140 for the applicable tax
19 collector as of the date of the assessment contract;

20 (5) The clean energy development board has confirmed that the property owner is
21 current on property taxes for the project property;

22 (6) The property that shall be subject to the assessment contract has no recorded and
23 outstanding involuntary liens in excess of one thousand dollars;

24 (7) The property owner shall not currently be a party to any bankruptcy proceeding
25 where any existing lien holder of the property is named as a creditor;

26 (8) The term of the assessment contract shall not exceed the weighted average useful
27 life of the qualified improvements to which the greatest portion of funds disbursed under the
28 assessment contract is attributable, not to exceed ~~[twenty]~~ **thirty** years. The clean energy
29 development board shall determine useful life for purposes of this subdivision based upon
30 credible third-party standards or certification criteria that have been established by
31 appropriate government agencies or nationally recognized standards and testing
32 organizations;

33 (9) The property owner is current on all mortgage debt on the subject property and
34 has no more than one late payment during the twelve months immediately preceding the
35 application date on any mortgage debt; and

36 (10) The clean energy development board shall not enter into an assessment contract
37 or levy or collect a special assessment for a project without making a finding that there are
38 sufficient resources to complete the project and that the estimated economic benefit expected
39 from the project during the financing period is equal to or greater than the cost of the project.

40 3. Any assessment contract for a project that, combined with any existing and
41 outstanding indebtedness secured by the benefitted property, results in a loan-to-value ratio
42 between eighty percent and ninety-seven percent of the true value in money, as determined by
43 the assessor pursuant to chapter 137, plus ten percent of such amount, of the benefitted
44 property prior to the project as determined by reference to the assessment records for tax
45 purposes for the most recent completed assessment by the county, or city not within a county,
46 shall include provision of an insurance policy providing coverage for any remaining cost of
47 fulfilling the assessment contract, including any accumulated interest, in the event the
48 property is foreclosed upon, if such product exists. Such insurance policy shall run with the
49 land in the same manner as the other obligations set forth in the assessment contract.

50 4. The property owner executing the PACE assessment contract shall have a three-day
51 right to cancel the qualifying improvements proposed for financing under the PACE
52 assessment contract. The three-day right to cancel shall expire at midnight of the third
53 business day after a property owner signs the assessment contract. The clean energy
54 development board shall be required to provide a printed form that is presented to the
55 property owner no later than the time of signing of the assessment contract detailing the
56 property owner's right to cancel. An electronic form may be provided if the owner consents
57 electronically to receiving an electronic form.

58 5. Prior to the execution of an assessment contract, the clean energy development
59 board shall advise the property owner in writing that any delinquent assessment shall be a lien
60 on the property subject to the assessment contract and that the obligations under the PACE
61 assessment contract continue as an obligation against the improved property if the property
62 owner sells or refinances the property and that a purchaser or lender may require that before
63 the owner may sell or refinance the property that the owner may be required to pay the
64 assessment contract in full.

65 6. Prior to the execution of an assessment contract, the clean energy development
66 board shall advise the property owner in writing that if the property owner pays his or her
67 property taxes and special assessments via a lender or loan servicer's escrow program, the
68 special assessment will cause the owner's monthly escrow requirements to increase and
69 increase the owner's total monthly payment to the lender or the loan servicer. The clean
70 energy development board shall further advise the property owner that if the special
71 assessment results in an escrow shortage that the owner will be required to pay the shortage in
72 a lump-sum payment or catch up the shortage over twelve months.

73 7. The clean energy development board, within three days of entering an assessment
74 contract, shall provide any holder of a first mortgage loan a copy of the assessment contract
75 and a statement that includes a brief description of the project, the cost of the project, the
76 annual assessment that will be levied, and the number of annual assessments. Transmittal
77 shall be by United States mail to the holder of the first mortgage loan of record.

78 8. The clean energy development board shall maintain a public website with current
79 information about the PACE program as the board deems appropriate to inform consumers
80 regarding the PACE program. The website shall list approved contractors for the PACE
81 program. The website shall disclose the process for property owners or their successors to
82 request information about the assessment contract, the status of the assessment contract, and
83 for all questions including contract information to obtain a payoff amount for the release of an
84 assessment contract.

85 9. The clean energy development board, its agents, contractor, or other third party
86 shall not make any representation as to the income tax deductibility of an assessment.

67.2830. 1. A clean energy development board may issue bonds payable from special
2 assessment revenues generated by assessment contracts and any other revenues pledged
3 thereto. The bonds shall be authorized by resolution of the clean energy development board,
4 shall bear such date or dates, and shall mature at such time or times as the resolution shall
5 specify, provided that the term of any bonds issued for a clean energy conduit financing shall
6 not exceed ~~twenty~~ **thirty** years. The bonds shall be in such denomination, bear interest at
7 such rate, be in such form, be issued in such manner, be payable in such place or places, and
8 be subject to redemption as such resolution may provide. Notwithstanding any provision to
9 the contrary under this section, issuance of the bonds shall conform to the requirements of
10 subsection 1 of section 108.170.

11 2. Any bonds issued under this section shall not constitute an indebtedness of the state
12 or any municipality. Neither the state nor any municipality shall be liable on such bonds, and
13 the form of such bonds shall contain a statement to such effect.

67.2840. 1. Sections 67.2816, 67.2817, 67.2818, and 67.2819 shall be effective and
2 apply **only** to the residential PACE programs of clean energy development boards and
3 participating municipalities ~~after~~ **from** January 1, 2022, **to August 28, 2024. Beginning**
4 **August 28, 2024, all residential properties shall be exempt from the provisions of**
5 **sections 67.2816 to 67.2819 and no assessment contract, project, or PACE program shall**
6 **be entered into, undertaken, or established for any residential property.**

7 2. Sections 67.2816, 67.2817, 67.2818, and 67.2819 shall be effective and apply **only**
8 to residential PACE assessment contracts entered into after January 1, 2022, **but before**
9 **August 28, 2024.**

108.170. 1. Notwithstanding any other provisions of any law or charter to the
2 contrary, any issue of bonds, notes, or other evidences of indebtedness, including bonds,
3 notes, or other evidences of indebtedness payable solely from revenues derived from any
4 revenue-producing facility, hereafter issued under any law of this state by any county, city,
5 town, village, school district, educational institution, drainage district, levee district, nursing
6 home district, hospital district, library district, road district, fire protection district, water
7 supply district, sewer district, housing authority, land clearance for redevelopment authority,
8 special authority created under section 64.920, authority created pursuant to the provisions of
9 chapter 238, or other municipality, political subdivision, or district of this state shall be
10 negotiable~~[-]~~; may be issued in ~~bearer~~ **book-entry** form or registered form with or without
11 coupons to evidence interest payable thereon~~[-]~~; may be issued in any denomination~~[-and]~~;
12 may bear interest at a rate not exceeding ten percent per annum~~[-]~~ **or at a rate that is up to**
13 **two hundred fifty basis points above the longest maturity United States Treasury bond,**
14 **whichever is greater;** and may be sold, at any sale, at ~~the best price obtainable,~~ **a**
15 **competitive market yield as evidenced by a signed statement or memorandum from the**

16 **underwriter, bond purchaser, or the issuer's municipal advisor, at a price** not less than
17 ~~[ninety-five]~~ **fifty** percent of the par value thereof, anything in any proceedings heretofore had
18 authorizing such bonds, notes, or other evidence of indebtedness, or in any law of this state or
19 charter provision to the contrary notwithstanding. Such issue of bonds, notes, or other
20 evidence of indebtedness may bear interest at a rate not exceeding fourteen percent per annum
21 **or at a rate that is up to two hundred fifty basis points above the longest maturity**
22 **United States Treasury bond, whichever is greater**, if sold at public sale after giving
23 reasonable notice of such sale, at the ~~[best price obtainable,]~~ **lowest true interest cost bid**
24 **received, at a price** not less than ~~[ninety-five]~~ **fifty** percent of the par value thereof; provided
25 [;] that such bonds, notes, or other evidence of indebtedness may be sold to any agency or
26 corporate or other instrumentality of the state of Missouri or of the federal government at
27 private sale at a rate not exceeding fourteen percent per annum **or at a rate that is up to two**
28 **hundred fifty basis points above the longest maturity United States Treasury bond,**
29 **whichever is greater**. If a political subdivision has an unenhanced bond rating ~~[of AA+ or~~
30 ~~higher, or comparable rating,]~~ **that is one of the two highest long-term ratings or the**
31 **highest short-term rating issued by a nationally recognized rating agency** on its
32 outstanding general obligation bonds or is proposing to issue general obligation bonds with an
33 unenhanced bond rating ~~[of AA+ or higher, or comparable rating]~~ **that is one of the two**
34 **highest long-term ratings or the highest short-term rating issued by a nationally**
35 **recognized rating agency**, the new issue of general obligation bonds shall be issued through
36 a competitive process unless the political subdivision employs the services of a municipal
37 advisor, in which case the political subdivision may use a negotiated or competitive process,
38 except that such requirements shall not apply to any general obligation bonds:

39 (1) Sold, pursuant to written agreement, to the government of the United States of
40 America or of the state of Missouri or to any bureau, department, body corporate,
41 instrumentality, or agency of the United ~~[State]~~ **States** of America or the state of Missouri;

42 (2) Where the principal amount of the bonds issued does not exceed ~~[twelve]~~ **twenty**
43 million ~~[five hundred thousand]~~ dollars; or

44 (3) That are issued or are part of an issue issued to refinance a prior issue of general
45 obligation indebtedness or which are issued contemporaneously with any such issue of
46 refunding bonds; provided, the refunding bonds shall not exceed the principal of the
47 outstanding indebtedness to be refunded and the accrued interest to the date of such refunding
48 bonds.

49

50 A municipal advisor shall not be allowed to profit financially or otherwise, either directly or
51 indirectly, from the underwriter of a negotiated bond issuance.

52 2. Notwithstanding the provisions of subsection 1 of this section to the contrary, the
53 sale of bonds, notes, or other evidence of indebtedness issued by the state board of public
54 buildings created under section 8.010, the state board of fund commissioners created under
55 section 33.300, any port authority created under section 68.010, the bi-state metropolitan
56 development district authorized under section 70.370, any special business district created
57 under section 71.790, any county, as defined in section 108.465, exercising the powers
58 granted by sections 108.450 to 108.470, the ~~[industrial development]~~ **Missouri development**
59 **finance** board created under section 100.265, any planned industrial expansion authority
60 created under section 100.320, the higher education loan authority created under section
61 173.360, the Missouri housing development commission created under section 215.020, the
62 state environmental improvement and energy resources authority created under section
63 260.010, the agricultural and small business development authority created under section
64 348.020, any industrial development corporation created under section 349.035, or the health
65 and educational facilities authority created under section 360.020 shall, with respect to the
66 sales price, manner of sale and interest rate, be governed by the specific sections applicable to
67 each of these entities.

68 3. Any person who is engaged as a municipal advisor by a political corporation or
69 subdivision with respect to a particular issue of securities shall be independent of the
70 underwriter of that issue of securities. For the purposes of this section, "municipal advisor"
71 shall be either:

72 (1) A person registered as a municipal advisor under the rules of the United States
73 Securities and Exchange Commission; or

74 (2) A person who is a chief financial officer of a school district and either:

75 (a) Is a certified public accountant; or

76 (b) Has a masters of business administration and is certified as an administrator of
77 school finance and operations by the Association of School Business Officials International.

78

79 For the purposes of this subsection, "independent" shall have the same meaning as defined by
80 the rules of the United States Securities and Exchange Commission. In determining the
81 individuals or entities that may serve as a municipal advisor, nothing in this section shall be
82 construed to be more restrictive than the definition of a municipal advisor as established by
83 the United States Securities and Exchange Commission.

84 4. Notwithstanding other provisions of this section or other law, the sale of bonds,
85 notes, or other evidence of indebtedness issued by any housing authority created under
86 section 99.040 may be sold at any sale, at the ~~[best-price]~~ **lowest true interest cost**
87 obtainable, not less than ~~[ninety-five]~~ **fifty** percent of the par value thereof, and may bear
88 interest at a rate not exceeding fourteen percent per annum **or at a rate that is up to two**

89 **hundred fifty basis points above the longest maturity United States Treasury bond,**
90 **whichever is greater.** The sale shall be a public sale unless the issuing jurisdiction adopts a
91 resolution setting forth clear justification why the sale should be a private sale except that
92 private activity bonds may be sold either at public or private sale.

93 5. Notwithstanding other provisions of this section or law, industrial development
94 revenue bonds may be sold at private sale and bear interest at a rate not exceeding fourteen
95 percent per annum **or at a rate that is up to two hundred fifty basis points above the**
96 **longest maturity United States Treasury bond, whichever is greater,** at the [~~best price~~]
97 **lowest true interest cost** obtainable, not less than [~~ninety-five~~] **fifty** percent of the par value
98 thereof.

99 6. Notwithstanding other provisions in subsection 1 of this section to the contrary,
100 revenue bonds issued for airport purposes by any constitutional charter city in this state which
101 now has or may hereafter acquire a population of more than three hundred thousand but less
102 than six hundred thousand inhabitants, according to the last federal decennial census, may
103 bear interest at a rate not exceeding fourteen percent per annum **or at a rate that is up to two**
104 **hundred fifty basis points above the longest maturity United States Treasury bond,**
105 **whichever is greater,** if sold at public sale after giving reasonable notice, at the [~~best price~~]
106 **lowest true interest cost** obtainable, not less than [~~ninety-five~~] **fifty** percent of the par value
107 thereof.

108 7. For purposes of the interest rate limitations set forth in this section, the interest rate
109 on bonds, notes or other evidence of indebtedness described in this section means the rate at
110 which the present value of the debt service payments on an issue of bonds, notes or other
111 evidence of indebtedness, discounted to the date of issuance, equals the original price at
112 which such bonds, notes or other evidence of indebtedness are sold by the issuer. Interest on
113 bonds, notes or other evidence of indebtedness may be paid periodically at such times as shall
114 be determined by the governing body of the issuer and may be compounded in accordance
115 with section 408.080.

116 8. Notwithstanding any provision of law or charter to the contrary:

117 (1) Any entity referenced in subsection 1 or 2 of this section and any other political
118 corporation of the state which entity or political corporation has an annual operating budget
119 for the current year exceeding twenty-five million dollars may, in connection with managing
120 the cost to such entity or political corporation of purchasing fuel, electricity, natural gas, and
121 other commodities used in the ordinary course of its lawful operations, enter into agreements
122 providing for fixing the cost of such commodity, including without limitation agreements
123 commonly referred to as hedges, futures, and options; provided that as of the date of such
124 agreement, such entity or political corporation shall have complied with subdivision (3) of
125 this subsection; and further provided that no eligible school **entity**, as defined in section

126 393.310, shall be authorized by this subsection to enter into such agreements in connection
127 with the purchase of natural gas while the tariffs required under section 393.310 are in effect;

128 (2) Any entity referenced in subsection 1 or 2 of this section and any other political
129 corporation of the state may, in connection with its bonds, notes, or other obligations then
130 outstanding or to be issued and bearing interest at a fixed or variable rate, enter into
131 agreements providing for payments based on levels of or changes in interest rates, including
132 without limitation certain derivative agreements commonly referred to as interest rate swaps,
133 hedges, caps, floors, and collars, provided that:

134 (a) As of the date of issuance of the bonds, notes, or other obligations to which such
135 agreement relates, such entity or political corporation will have bonds, notes, or other
136 obligations outstanding in an aggregate principal amount of at least fifty million dollars; and

137 (b) As of the date of such agreement, such entity's or political corporation's bonds,
138 notes, or other obligations then outstanding or to be issued have received a stand-alone credit
139 rating in one of the ~~[two highest categories, without regard to any gradation within such~~
140 ~~categories, from at least one]~~ **four highest long-term ratings or the highest short-term**
141 **rating issued by a** nationally recognized credit rating agency, or such entity or political
142 corporation has an issuer or general credit rating, in one of the ~~[two highest categories,~~
143 ~~without regard to any gradation within such categories, from at least one]~~ **four highest long-**
144 **term ratings or the highest short-term rating issued by a** nationally recognized credit
145 rating agency; and

146 (c) As of the date of such agreement, such entity or political corporation shall have
147 complied with subdivision (3) of this subsection;

148 (3) Prior to entering into any agreements pursuant to subdivision (1) or (2) of this
149 subsection, the governing body of the entity or political corporations entering into such
150 agreements shall have adopted a written policy governing such agreements. Such policy shall
151 be prepared by integrating the recommended practices published by the Government Finance
152 Officers Association or comparable nationally recognized professional organization and shall
153 provide guidance with respect to the permitted purposes, authorization process, mitigation of
154 risk factors, ongoing oversight responsibilities, market disclosure, financial strategy, and any
155 other factors in connection with such agreements determined to be relevant by the governing
156 body of such entity or political corporation. Such entity or political corporation may enter
157 into such agreements at such times and such agreements may contain such payment, security,
158 default, remedy, and other terms and conditions as shall be consistent with the written policy
159 adopted under this subdivision and as may be approved by the governing body of such entity
160 or other obligated party, including any rating by any nationally recognized rating agency and
161 any other criteria as may be appropriate;

162 (4) Nothing in this subsection shall be applied or interpreted to authorize any such
163 entity or political corporation to enter into any such agreement for investment purposes or to
164 diminish or alter the special or general power any such entity or political corporation may
165 otherwise have under any other provisions of law including the special or general power of
166 any interstate transportation authority.

167 9. The state treasurer shall make available to municipalities, political subdivisions, or
168 districts listed under subsection 1 of this section relevant information regarding debt issuance
169 and bidding processes, including best practices resources published by a national association
170 of government finance officers on debt issuance, to aid such entities with the process of
171 issuing debt and awarding bonds to the best bidder.

143.121. 1. The Missouri adjusted gross income of a resident individual shall be the
2 taxpayer's federal adjusted gross income subject to the modifications in this section.

3 2. There shall be added to the taxpayer's federal adjusted gross income:

4 (1) The amount of any federal income tax refund received for a prior year which
5 resulted in a Missouri income tax benefit. The amount added pursuant to this subdivision
6 shall not include any amount of a federal income tax refund attributable to a tax credit
7 reducing a taxpayer's federal tax liability pursuant to Public Law 116-136 or 116-260, enacted
8 by the 116th United States Congress, for the tax year beginning on or after January 1, 2020,
9 and ending on or before December 31, 2020, and deducted from Missouri adjusted gross
10 income pursuant to section 143.171. The amount added under this subdivision shall also not
11 include any amount of a federal income tax refund attributable to a tax credit reducing a
12 taxpayer's federal tax liability under any other federal law that provides direct economic
13 impact payments to taxpayers to mitigate financial challenges related to the COVID-19
14 pandemic, and deducted from Missouri adjusted gross income under section 143.171;

15 (2) Interest on certain governmental obligations excluded from federal gross income
16 by 26 U.S.C. Section 103 of the Internal Revenue Code, as amended. The previous sentence
17 shall not apply to interest on obligations of the state of Missouri or any of its political
18 subdivisions or authorities and shall not apply to the interest described in subdivision (1) of
19 subsection 3 of this section. The amount added pursuant to this subdivision shall be reduced
20 by the amounts applicable to such interest that would have been deductible in computing the
21 taxable income of the taxpayer except only for the application of 26 U.S.C. Section 265 of the
22 Internal Revenue Code, as amended. The reduction shall only be made if it is at least five
23 hundred dollars;

24 (3) The amount of any deduction that is included in the computation of federal
25 taxable income pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code as amended
26 by the Job Creation and Worker Assistance Act of 2002 to the extent the amount deducted
27 relates to property purchased on or after July 1, 2002, but before July 1, 2003, and to the

28 extent the amount deducted exceeds the amount that would have been deductible pursuant to
29 26 U.S.C. Section 168 of the Internal Revenue Code of 1986 as in effect on January 1, 2002;

30 (4) The amount of any deduction that is included in the computation of federal
31 taxable income for net operating loss allowed by 26 U.S.C. Section 172 of the Internal
32 Revenue Code of 1986, as amended, other than the deduction allowed by 26 U.S.C. Section
33 172(b)(1)(G) and 26 U.S.C. Section 172(i) of the Internal Revenue Code of 1986, as
34 amended, for a net operating loss the taxpayer claims in the tax year in which the net
35 operating loss occurred or carries forward for a period of more than twenty years and carries
36 backward for more than two years. Any amount of net operating loss taken against federal
37 taxable income but disallowed for Missouri income tax purposes pursuant to this subdivision
38 after June 18, 2002, may be carried forward and taken against any income on the Missouri
39 income tax return for a period of not more than twenty years from the year of the initial loss;
40 and

41 (5) For nonresident individuals in all taxable years ending on or after December 31,
42 2006, the amount of any property taxes paid to another state or a political subdivision of
43 another state for which a deduction was allowed on such nonresident's federal return in the
44 taxable year unless such state, political subdivision of a state, or the District of Columbia
45 allows a subtraction from income for property taxes paid to this state for purposes of
46 calculating income for the income tax for such state, political subdivision of a state, or the
47 District of Columbia;

48 (6) For all tax years beginning on or after January 1, 2018, any interest expense paid
49 or accrued in a previous taxable year, but allowed as a deduction under 26 U.S.C. Section
50 163, as amended, in the current taxable year by reason of the carryforward of disallowed
51 business interest provisions of 26 U.S.C. Section 163(j), as amended. For the purposes of this
52 subdivision, an interest expense is considered paid or accrued only in the first taxable year the
53 deduction would have been allowable under 26 U.S.C. Section 163, as amended, if the
54 limitation under 26 U.S.C. Section 163(j), as amended, did not exist.

55 3. There shall be subtracted from the taxpayer's federal adjusted gross income the
56 following amounts to the extent included in federal adjusted gross income:

57 (1) Interest received on deposits held at a federal reserve bank or interest or dividends
58 on obligations of the United States and its territories and possessions or of any authority,
59 commission or instrumentality of the United States to the extent exempt from Missouri
60 income taxes pursuant to the laws of the United States. The amount subtracted pursuant to
61 this subdivision shall be reduced by any interest on indebtedness incurred to carry the
62 described obligations or securities and by any expenses incurred in the production of interest
63 or dividend income described in this subdivision. The reduction in the previous sentence
64 shall only apply to the extent that such expenses including amortizable bond premiums are

65 deducted in determining the taxpayer's federal adjusted gross income or included in the
66 taxpayer's Missouri itemized deduction. The reduction shall only be made if the expenses
67 total at least five hundred dollars;

68 (2) The portion of any gain, from the sale or other disposition of property having a
69 higher adjusted basis to the taxpayer for Missouri income tax purposes than for federal
70 income tax purposes on December 31, 1972, that does not exceed such difference in basis. If
71 a gain is considered a long-term capital gain for federal income tax purposes, the modification
72 shall be limited to one-half of such portion of the gain;

73 (3) The amount necessary to prevent the taxation pursuant to this chapter of any
74 annuity or other amount of income or gain which was properly included in income or gain and
75 was taxed pursuant to the laws of Missouri for a taxable year prior to January 1, 1973, to the
76 taxpayer, or to a decedent by reason of whose death the taxpayer acquired the right to receive
77 the income or gain, or to a trust or estate from which the taxpayer received the income or
78 gain;

79 (4) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the
80 extent that the same are included in federal adjusted gross income;

81 (5) The amount of any state income tax refund for a prior year which was included in
82 the federal adjusted gross income;

83 (6) The portion of capital gain specified in section 135.357 that would otherwise be
84 included in federal adjusted gross income;

85 (7) The amount that would have been deducted in the computation of federal taxable
86 income pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code as in effect on
87 January 1, 2002, to the extent that amount relates to property purchased on or after July 1,
88 2002, but before July 1, 2003, and to the extent that amount exceeds the amount actually
89 deducted pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code as amended by the
90 Job Creation and Worker Assistance Act of 2002;

91 (8) For all tax years beginning on or after January 1, 2005, the amount of any income
92 received for military service while the taxpayer serves in a combat zone which is included in
93 federal adjusted gross income and not otherwise excluded therefrom. As used in this section,
94 "combat zone" means any area which the President of the United States by Executive Order
95 designates as an area in which Armed Forces of the United States are or have engaged in
96 combat. Service is performed in a combat zone only if performed on or after the date
97 designated by the President by Executive Order as the date of the commencing of combat
98 activities in such zone, and on or before the date designated by the President by Executive
99 Order as the date of the termination of combatant activities in such zone;

100 (9) For all tax years ending on or after July 1, 2002, with respect to qualified property
101 that is sold or otherwise disposed of during a taxable year by a taxpayer and for which an

102 additional modification was made under subdivision (3) of subsection 2 of this section, the
103 amount by which additional modification made under subdivision (3) of subsection 2 of this
104 section on qualified property has not been recovered through the additional subtractions
105 provided in subdivision (7) of this subsection;

106 (10) For all tax years beginning on or after January 1, 2014, the amount of any
107 income received as payment from any program which provides compensation to agricultural
108 producers who have suffered a loss as the result of a disaster or emergency, including the:

- 109 (a) Livestock Forage Disaster Program;
- 110 (b) Livestock Indemnity Program;
- 111 (c) Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish;
- 112 (d) Emergency Conservation Program;
- 113 (e) Noninsured Crop Disaster Assistance Program;
- 114 (f) Pasture, Rangeland, Forage Pilot Insurance Program;
- 115 (g) Annual Forage Pilot Program;
- 116 (h) Livestock Risk Protection Insurance Plan;
- 117 (i) Livestock Gross Margin Insurance Plan;

118 (11) For all tax years beginning on or after January 1, 2018, any interest expense paid
119 or accrued in the current taxable year, but not deducted as a result of the limitation imposed
120 under 26 U.S.C. Section 163(j), as amended. For the purposes of this subdivision, an interest
121 expense is considered paid or accrued only in the first taxable year the deduction would have
122 been allowable under 26 U.S.C. Section 163, as amended, if the limitation under 26 U.S.C.
123 Section 163(j), as amended, did not exist;

124 (12) One hundred percent of any retirement benefits received by any taxpayer as a
125 result of the taxpayer's service in the Armed Forces of the United States, including reserve
126 components and the National Guard of this state, as defined in 32 U.S.C. Sections 101(3) and
127 109, and any other military force organized under the laws of this state; ~~and~~

128 (13) One hundred percent of any federal grant moneys received for the purpose of
129 providing or expanding access to broadband internet to areas of the state deemed to be lacking
130 such access; **and**

131 **(14) For all tax years beginning on or after January 1, 2025, the portion of**
132 **capital gain on the sale or exchange of specie, as that term is defined in section 408.010,**
133 **that is otherwise included in the taxpayer's federal adjusted gross income.**

134 4. There shall be added to or subtracted from the taxpayer's federal adjusted gross
135 income the taxpayer's share of the Missouri fiduciary adjustment provided in section 143.351.

136 5. There shall be added to or subtracted from the taxpayer's federal adjusted gross
137 income the modifications provided in section 143.411.

138 6. In addition to the modifications to a taxpayer's federal adjusted gross income in this
139 section, to calculate Missouri adjusted gross income there shall be subtracted from the
140 taxpayer's federal adjusted gross income any gain recognized pursuant to 26 U.S.C. Section
141 1033 of the Internal Revenue Code of 1986, as amended, arising from compulsory or
142 involuntary conversion of property as a result of condemnation or the imminence thereof.

143 7. (1) As used in this subsection, "qualified health insurance premium" means the
144 amount paid during the tax year by such taxpayer for any insurance policy primarily
145 providing health care coverage for the taxpayer, the taxpayer's spouse, or the taxpayer's
146 dependents.

147 (2) In addition to the subtractions in subsection 3 of this section, one hundred percent
148 of the amount of qualified health insurance premiums shall be subtracted from the taxpayer's
149 federal adjusted gross income to the extent the amount paid for such premiums is included in
150 federal taxable income. The taxpayer shall provide the department of revenue with proof of
151 the amount of qualified health insurance premiums paid.

152 8. (1) Beginning January 1, 2014, in addition to the subtractions provided in this
153 section, one hundred percent of the cost incurred by a taxpayer for a home energy audit
154 conducted by an entity certified by the department of natural resources under section 640.153
155 or the implementation of any energy efficiency recommendations made in such an audit shall
156 be subtracted from the taxpayer's federal adjusted gross income to the extent the amount paid
157 for any such activity is included in federal taxable income. The taxpayer shall provide the
158 department of revenue with a summary of any recommendations made in a qualified home
159 energy audit, the name and certification number of the qualified home energy auditor who
160 conducted the audit, and proof of the amount paid for any activities under this subsection for
161 which a deduction is claimed. The taxpayer shall also provide a copy of the summary of any
162 recommendations made in a qualified home energy audit to the department of natural
163 resources.

164 (2) At no time shall a deduction claimed under this subsection by an individual
165 taxpayer or taxpayers filing combined returns exceed one thousand dollars per year for
166 individual taxpayers or cumulatively exceed two thousand dollars per year for taxpayers
167 filing combined returns.

168 (3) Any deduction claimed under this subsection shall be claimed for the tax year in
169 which the qualified home energy audit was conducted or in which the implementation of the
170 energy efficiency recommendations occurred. If implementation of the energy efficiency
171 recommendations occurred during more than one year, the deduction may be claimed in more
172 than one year, subject to the limitations provided under subdivision (2) of this subsection.

173 (4) A deduction shall not be claimed for any otherwise eligible activity under this
174 subsection if such activity qualified for and received any rebate or other incentive through a

175 state-sponsored energy program or through an electric corporation, gas corporation, electric
176 cooperative, or municipally owned utility.

177 9. The provisions of subsection 8 of this section shall expire on December 31, 2020.

178 10. (1) As used in this subsection, the following terms mean:

179 (a) "Beginning farmer", a taxpayer who:

180 a. Has filed at least one but not more than ten Internal Revenue Service Schedule F
181 (Form 1040) Profit or Loss From Farming forms since turning eighteen years of age;

182 b. Is approved for a beginning farmer loan through the USDA Farm Service Agency
183 Beginning Farmer direct or guaranteed loan program;

184 c. Has a farming operation that is determined by the department of agriculture to be
185 new production agriculture but is the principal operator of a farm and has substantial farming
186 knowledge; or

187 d. Has been determined by the department of agriculture to be a qualified family
188 member;

189 (b) "Farm owner", an individual who owns farmland and disposes of or relinquishes
190 use of all or some portion of such farmland as follows:

191 a. A sale to a beginning farmer;

192 b. A lease or rental agreement not exceeding ten years with a beginning farmer; or

193 c. A crop-share arrangement not exceeding ten years with a beginning farmer;

194 (c) "Qualified family member", an individual who is related to a farm owner within
195 the fourth degree by blood, marriage, or adoption and who is purchasing or leasing or is in a
196 crop-share arrangement for land from all or a portion of such farm owner's farming operation.

197 (2) (a) In addition to all other subtractions authorized in this section, a taxpayer who
198 is a farm owner who sells all or a portion of such farmland to a beginning farmer may subtract
199 from such taxpayer's Missouri adjusted gross income an amount to the extent included in
200 federal adjusted gross income as provided in this subdivision.

201 (b) Subject to the limitations in paragraph (c) of this subdivision, the amount that may
202 be subtracted shall be equal to the portion of capital gains received from the sale of such
203 farmland that such taxpayer receives in the tax year for which such taxpayer subtracts such
204 capital gain.

205 (c) A taxpayer may subtract the following amounts and percentages per tax year in
206 total capital gains received from the sale of such farmland under this subdivision:

207 a. For the first two million dollars received, one hundred percent;

208 b. For the next one million dollars received, eighty percent;

209 c. For the next one million dollars received, sixty percent;

210 d. For the next one million dollars received, forty percent; and

211 e. For the next one million dollars received, twenty percent.

212 (d) The department of revenue shall prepare an annual report reviewing the costs and
213 benefits and containing statistical information regarding the subtraction of capital gains
214 authorized under this subdivision for the previous tax year including, but not limited to, the
215 total amount of all capital gains subtracted and the number of taxpayers subtracting such
216 capital gains. Such report shall be submitted before February first of each year to the
217 committee on agriculture policy of the Missouri house of representatives and the committee
218 on agriculture, food production and outdoor resources of the Missouri senate, or the successor
219 committees.

220 (3) (a) In addition to all other subtractions authorized in this section, a taxpayer who
221 is a farm owner who enters a lease or rental agreement for all or a portion of such farmland
222 with a beginning farmer may subtract from such taxpayer's Missouri adjusted gross income an
223 amount to the extent included in federal adjusted gross income as provided in this
224 subdivision.

225 (b) Subject to the limitation in paragraph (c) of this subdivision, the amount that may
226 be subtracted shall be equal to the portion of cash rent income received from the lease or
227 rental of such farmland that such taxpayer receives in the tax year for which such taxpayer
228 subtracts such income.

229 (c) No taxpayer shall subtract more than twenty-five thousand dollars per tax year in
230 total cash rent income received from the lease or rental of such farmland under this
231 subdivision.

232 (4) (a) In addition to all other subtractions authorized in this section, a taxpayer who
233 is a farm owner who enters a crop-share arrangement on all or a portion of such farmland with
234 a beginning farmer may subtract from such taxpayer's Missouri adjusted gross income an
235 amount to the extent included in federal adjusted gross income as provided in this
236 subdivision.

237 (b) Subject to the limitation in paragraph (c) of this subdivision, the amount that may
238 be subtracted shall be equal to the portion of income received from the crop-share
239 arrangement on such farmland that such taxpayer receives in the tax year for which such
240 taxpayer subtracts such income.

241 (c) No taxpayer shall subtract more than twenty-five thousand dollars per tax year in
242 total income received from the lease or rental of such farmland under this subdivision.

243 (5) The department of agriculture shall, by rule, establish a process to verify that a
244 taxpayer is a beginning farmer for purposes of this section and shall provide verification to
245 the beginning farmer and farm seller of such farmer's and seller's certification and
246 qualification for the exemption provided in this subsection.

247 **11. (1) For all tax years beginning on or after January 1, 2025, in addition to the**
248 **subtractions authorized under this section, one hundred percent of the amount of any**

249 **gain in interest derived from municipal bonds or any other debt obligation derived from**
250 **sources in another state of the United States, or a political subdivision thereof, or the**
251 **District of Columbia shall be subtracted from the taxpayer's federal adjusted gross**
252 **income.**

253 **(2) The amount subtracted under this subsection shall apply only if, at the time**
254 **such derived interest was earned on such municipal bonds or any other debt obligation**
255 **in such other state or the District of Columbia, either:**

256 **(a) This state had adopted a reciprocal agreement exempting such state's**
257 **residents from taxes imposed on interest earned on such out-of-state bonds or any other**
258 **out-of-state debt obligation; or**

259 **(b) No reciprocal agreement exists, but at the time such interest was earned on**
260 **any out-of-state bonds or debt obligation, no tax was imposed by the originating state on**
261 **any such Missouri bonds or debt obligation.**

361.900. Sections 361.900 to 361.1035 shall be known and may be cited as the
2 **"Money Transmission Modernization Act of 2024".**

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

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

6 **(2) Protect the public from financial crime;**

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

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

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

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

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

8 **(3) "Average daily money transmission liability", the amount of the licensee's**
9 **outstanding money transmission obligations in this state at the end of each day in a**
10 **given period of time, added together, and divided by the total number of days in the**
11 **given period of time. For purposes of calculating average daily money transmission**

12 liability under sections 361.900 to 361.1035 for any licensee required to do so, the given
13 period of time shall be the quarters ending March thirty-first, June thirtieth, September
14 thirtieth, and December thirty-first;

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

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

21 (6) "Control":

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

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

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

30

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

40 (7) "Director", the director of the Missouri division of finance;

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

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

48 **(10) "Federally insured depository financial institution", a bank, credit union,**
49 **savings and loan association, trust company, savings association, savings bank,**
50 **industrial bank, or industrial loan company organized under the laws of the United**
51 **States or any state of the United States if such bank, credit union, savings and loan**
52 **association, trust company, savings association, savings bank, industrial bank, or**
53 **industrial loan company has federally insured deposits;**

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

62 **(12) "Individual", a natural person;**

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

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

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

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

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

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

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

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

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

81

82 **The term includes payroll processing services. The term does not include the provision**
83 **solely of online or telecommunications services or network access;**

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

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

93 **(21) "Outstanding money transmission obligations":**

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

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

103

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

108 **(22) "Passive investor", a person that:**

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

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

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

117 **(d) Either:**

118 **a. Attests to paragraphs (a), (b), and (c) of this subdivision, in a form and in a**
119 **medium prescribed by the director; or**

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

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

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

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

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

138 **(25) "Person", any individual, general partnership, limited partnership, limited**
139 **liability company, corporation, trust, association, joint stock corporation, or other**
140 **corporate entity identified by the director;**

141 **(26) "Receiving money for transmission" or "money received for transmission",**
142 **receiving money or monetary value in the United States for transmission within or**
143 **outside the United States by electronic or other means;**

144 **(27) "Stored value", monetary value representing a claim against the issuer**
145 **evidenced by an electronic or digital record and that is intended and accepted for use as**
146 **a means of redemption for money, or monetary value, or payment for goods or services.**
147 **The term includes, but is not limited to, "prepaid access" as defined under 31 CFR**
148 **Section 1010.100, as amended or recodified from time to time. Notwithstanding the**
149 **provisions of this subdivision, the term does not include a payment instrument or closed**
150 **loop stored value, or stored value not sold to the public but issued and distributed as**
151 **part of a loyalty, rewards, or promotional program;**

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

361.909. Sections 361.900 to 361.1035 shall not apply to:

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

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

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

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

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

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

20 **(a) Is properly licensed or exempt from licensing requirements under sections**
21 **361.900 to 361.1035;**

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

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

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

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

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

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

39 to time; or corporation organized under the Edge Act, 12 U.S.C. Sections 611-633, as
40 amended or recodified from time to time, under the laws of a state or the United States;

41 (8) Electronic funds transfer of governmental benefits for a federal, state,
42 county, or governmental agency by a contractor on behalf of the United States or a
43 department, agency, or instrumentality thereof, or on behalf of a state or governmental
44 subdivision, agency, or instrumentality thereof;

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

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

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

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

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

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

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

361.912. The director may require that any person claiming to be exempt from
2 licensing under section 361.909 provide information and documentation to the director
3 demonstrating that the person qualifies for any claimed exemption.

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

3 (1) Enter into agreements or relationships with other government officials or
4 federal and state regulatory agencies and regulatory associations in order to improve
5 efficiencies and reduce regulatory burden by standardizing methods or procedures, and

6 sharing resources, records, or related information obtained under sections 361.900 to
7 361.1035;

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

10 (3) Accept, from other state or federal government agencies or officials,
11 licensing, examination, or investigation reports made by such other state or federal
12 government agencies or officials; and

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

16 2. The director shall have the broad administrative authority to:

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

19 (2) Recover the cost of administering and enforcing sections 361.900 to 361.1035
20 by imposing and collecting proportionate and equitable fees and costs associated with
21 applications, examinations, investigations, and other actions required to achieve the
22 purpose of sections 361.900 to 361.1035.

23 3. The director shall promulgate all necessary rules and regulations for the
24 administration of sections 361.900 to 361.1035. Any rule or portion of a rule, as that
25 term is defined in section 536.010, that is created under the authority delegated in this
26 section shall become effective only if it complies with and is subject to all of the
27 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter
28 536 are nonseverable and if any of the powers vested with the general assembly
29 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul
30 a rule are subsequently held unconstitutional, then the grant of rulemaking authority
31 and any rule proposed or adopted after August 28, 2024, shall be invalid and void.

361.918. 1. Except as otherwise provided in subsection 2 of this section, all
2 information or reports obtained by the director from an applicant, licensee, or
3 authorized delegate and all information contained in or related to an examination,
4 investigation, operating report, or condition report prepared by, on behalf of, or for the
5 use of the director, or financial statements, balance sheets, or authorized delegate
6 information, shall be confidential and held in accordance with section 361.080.

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

10 **3. This section does not prohibit the director from disclosing to the public a list**
11 **of all licensees or the aggregated financial or transactional data concerning those**
12 **licensees.**

361.921. 1. The director may conduct an examination or investigation of a
2 **licensee or authorized delegate or otherwise take independent action authorized by**
3 **sections 361.900 to 361.1035 or by a rule adopted or order issued under sections 361.900**
4 **to 361.1035 as reasonably necessary or appropriate to administer and enforce sections**
5 **361.900 to 361.1035, regulations implementing sections 361.900 to 361.1035, and other**
6 **applicable law, including the Bank Secrecy Act and the USA PATRIOT Act. The**
7 **director may:**

8 **(1) Conduct an examination either onsite or offsite as the director may**
9 **reasonably require;**

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

13 **(3) Accept the examination report of another state agency or an agency of**
14 **another state or of the federal government, or a report prepared by an independent**
15 **accounting firm, which on being accepted is considered for all purposes as an official**
16 **report of the director; and**

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

20 **2. A licensee or authorized delegate shall provide, and the director shall have full**
21 **and complete access to, all records the director may reasonably require to conduct a**
22 **complete examination. The records shall be provided at the location and in the format**
23 **specified by the director. The director may utilize multistate record production**
24 **standards and examination procedures if such standards and procedures will**
25 **reasonably achieve the requirements of this subsection.**

26 **3. Unless otherwise directed by the director, a licensee shall pay all costs**
27 **reasonably incurred in connection with an examination of the licensee or the licensee's**
28 **authorized delegates.**

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

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

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

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

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

21 **3. A joint examination or investigation, or acceptance of an examination or**
22 **investigation report, does not waive an examination assessment provided for in sections**
23 **361.900 to 361.1035.**

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

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

8 **(1) Identifies the inconsistency; and**

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

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

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

5 **(1) A person that is an authorized delegate of a person licensed under sections**
6 **361.900 to 361.1035 acting within the scope of authority conferred by a written contract**
7 **with the licensee; or**

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

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

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

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

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

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

12 (1) Collect and maintain records;

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

14 (3) Process fees; and

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

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

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

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

27 (2) Any rule or portion of a rule, as that term is defined in section 536.010, that is
28 created under the authority delegated in this section shall become effective only if it
29 complies with and is subject to all of the provisions of chapter 536 and, if applicable,
30 section 536.028. This section and chapter 536 are nonseverable and if any of the powers
31 vested with the general assembly pursuant to chapter 536 to review, to delay the
32 effective date, or to disapprove and annul a rule are subsequently held unconstitutional,
33 then the grant of rulemaking authority and any rule proposed or adopted after August
34 28, 2024, shall be invalid and void.

361.936. 1. Applicants for a license shall apply in a form and in a medium as
2 prescribed by the director. Each such form shall contain content as set forth by rule,
3 regulation, instruction, or procedure of the director and may be changed or updated by

4 the director in accordance with applicable law in order to carry out the purposes of
5 sections 361.900 to 361.1035 and maintain consistency with licensing standards and
6 practices. The application shall state or contain, as applicable:

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

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

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

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

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

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

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

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

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

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

28 (11) Any other information the director reasonably requires with respect to the
29 applicant.

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

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

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

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

39 (4) The legal name, any fictitious or trade name, all business and residential
40 addresses, and the employment, as applicable, in the ten-year period next preceding the

41 **submission of the application of each key individual and person in control of the**
42 **applicant;**

43 **(5) Whether they have been convicted of, or pled guilty or nolo contendere to, a**
44 **felony involving an act of fraud, dishonesty, a breach of trust, or money laundering;**

45 **(6) A copy of audited financial statements of the applicant for the most recent**
46 **fiscal year and for the two-year period next preceding the submission of the application**
47 **or, if determined to be acceptable to the director, certified unaudited financial**
48 **statements for the most recent fiscal year or other period acceptable to the director;**

49 **(7) A certified copy of unaudited financial statements of the applicant for the**
50 **most recent fiscal quarter;**

51 **(8) If the applicant is a publicly traded corporation, a copy of the most recent**
52 **report filed with the United States Securities and Exchange Commission under Section**
53 **13 of the federal Securities Exchange Act of 1934, 15 U.S.C. Section 78m, as amended or**
54 **recodified from time to time;**

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

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

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

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

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

67 **(12) Any other information the director reasonably requires with respect to the**
68 **applicant.**

69 **3. A nonrefundable application fee and license fee, as determined by the director,**
70 **shall accompany an application for a license under this section.**

71 **4. The director may waive one or more requirements of subsections 1 and 2 of**
72 **this section or permit an applicant to submit other information in lieu of the required**
73 **information.**

361.939. 1. Any individual in control of a licensee or applicant, any individual
2 **that seeks to acquire control of a licensee, and each key individual shall furnish to the**
3 **director through NMLS the following:**

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

8 **(2) Personal history and experience in a form and in a medium prescribed by the**
9 **director, to obtain the following:**

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

13 **(b) Whether they have been convicted of, or pled guilty or nolo contendere to, a**
14 **felony involving an act of fraud, dishonesty, a breach of trust, or money laundering; and**

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

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

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

22 **(a) Demonstrate that it has sufficient knowledge and resources and employs**
23 **accepted and reasonable methodologies to conduct the research for the background**
24 **report; and**

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

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

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

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

38 **(c) Employment history;**

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

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

361.942. 1. If an application for an original license under sections 361.900 to
2 361.1035 appears to include all the items and addresses and all of the matters that are
3 required, the application is complete and the director shall promptly notify the
4 applicant in a record of the date on which the application is determined to be complete,
5 and:

6 (1) The director shall approve or deny the application within one hundred
7 twenty days after the completion date; or

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

10 (a) The application is approved; and

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

13

14 The director may for good cause extend the application period.

15 2. A determination by the director that an application is complete and is
16 accepted for processing means only that the application, on its face, appears to include
17 all of the items, including the criminal background check response from the Federal
18 Bureau of Investigation, and address all of the matters that are required, and is not an
19 assessment of the substance of the application or of the sufficiency of the information
20 provided.

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

27 (1) The applicant has complied with the provisions of sections 361.929 and
28 361.936; and

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

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

36 **(1) The director shall be authorized to accept the investigation results of a lead**
37 **investigative state for the purpose of subsection 3 of this section if the lead investigative**
38 **state has sufficient staffing, expertise, and minimum standards; or**

39 **(2) If this state is a lead investigative state, the director shall be authorized to**
40 **investigate the applicant under subsection 3 of this section and the time frames**
41 **established by agreement through the multistate licensing process, provided however,**
42 **that in no case shall such time frame be noncompliant with the application period in**
43 **subdivision (1) of subsection 1 of this section.**

44 **5. The director shall issue a formal written notice of the denial of a license**
45 **application within thirty days of the decision to deny the application. The director shall**
46 **set forth in the notice of denial the specific reasons for the denial of the application. An**
47 **applicant whose application is denied by the director under this subsection may appeal**
48 **within thirty days after receipt of the written notice of the denial under chapter 536.**

49 **6. The initial license term shall begin on the day the application is approved.**
50 **The license shall expire on December thirty-first of the year in which the license term**
51 **began unless the initial license date is between November first and December thirty-**
52 **first, in which instance the initial license term shall run through December thirty-first of**
53 **the following year.**

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

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

10 **3. The director for good cause may grant an extension of the renewal date.**

11 **4. The director shall be authorized and encouraged to utilize NMLS to process**
12 **license renewals, provided that such functionality is consistent with this section.**

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

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

361.951. 1. Any person, or group of persons acting in concert, seeking to acquire
2 **control of a licensee shall obtain the written approval of the director prior to acquiring**
3 **control. An individual is not deemed to acquire control of a licensee and is not subject to**
4 **the acquisition of control provisions if that individual becomes a key individual in the**
5 **ordinary course of business.**

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

8 **(1) Submit an application in a form and in a medium prescribed by the director;**
9 **and**

10 **(2) Submit a nonrefundable fee, to be determined by the director, with the**
11 **request for approval.**

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

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

18 **5. When an application for acquisition of control under this section appears to**
19 **include all the items and address all of the matters that are required, the application**
20 **shall be considered complete. The director shall promptly notify the applicant in a**
21 **record of the date on which the application was determined to be complete, and:**

22 **(1) The director shall approve or deny the application within sixty days after the**
23 **completion date; or**

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

26 **(a) The application is approved; and**

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

29 **(3) The director may for good cause extend the application period.**

30 **6. A determination by the director that an application is complete and is**
31 **accepted for processing means only that the application, on its face, appears to include**
32 **all of the items and address all of the matters that are required, and is not an assessment**
33 **of the substance of the application or of the sufficiency of the information provided.**

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

40 **(1) The requirements of subsections 2 and 4 of this section have been met, as**
41 **applicable; and**

42 **(2) The financial condition and responsibility, financial and business experience,**
43 **competence, character, and general fitness of the person, or group of persons acting in**
44 **concert, seeking to acquire control and the competence, experience, character, and**
45 **general fitness of the key individuals and persons that would be in control of the licensee**
46 **after the acquisition of control indicate that it is in the interest of the public to permit**
47 **the person, or group of persons acting in concert, to control the licensee.**

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

50 **(1) The director is authorized to accept the investigation results of a lead**
51 **investigative state for the purpose of subsection 7 of this section if the lead investigative**
52 **state has sufficient staffing, expertise, and minimum standards; or**

53 **(2) If this state is a lead investigative state, the director is authorized to**
54 **investigate the applicant under subsection 7 of this section and the time frames**
55 **established by agreement through the multistate licensing process.**

56 **9. The director shall issue a formal written notice of the denial of an application**
57 **to acquire control within thirty days of the decision to deny the application. The**
58 **director shall set forth in the notice of denial the specific reasons for the denial of the**
59 **application. An applicant whose application is denied by the director under this**
60 **subsection may appeal within thirty days after receipt of the written notice of the denial**
61 **under chapter 536.**

62 **10. The requirements of subsections 1 and 2 of this section shall not apply to any**
63 **of the following:**

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

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

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

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

72 (5) A person that the director determines is not subject to subsection 1 of this
73 section based on the public interest;

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

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

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

81 12. (1) The requirements of subsections 1 and 2 of this section shall not apply to
82 a person that has complied with and received approval to engage in money transmission
83 under sections 361.900 to 361.1035 or was identified as a person in control in a prior
84 application filed with and approved by the director or by another state under a
85 multistate licensing process, provided that:

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

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

92 (c) The licensee to be acquired is projected to meet the requirements of sections
93 361.999, 361.1002, and 361.1005 after the acquisition of control is completed, and if the
94 person acquiring control is a licensee, that licensee is also projected to meet the
95 requirements of sections 361.999, 361.1002, and 361.1005 after the acquisition of control
96 is completed;

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

101 (e) The person provides notice of the acquisition in cooperation with the licensee
102 and attests to paragraphs (a) to (d) of this subdivision in a form and in a medium
103 prescribed by the director.

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

106 13. Before filing an application for approval to acquire control of a licensee, a
107 person may request in writing a determination from the director as to whether the

108 person would be considered a person in control of a licensee upon consummation of a
109 proposed transaction. If the director determines that the person would not be a person
110 in control of a licensee, the proposed person and transaction is not subject to the
111 requirements of subsections 1 and 2 of this section.

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

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

118 **(2) If this state is a lead investigative state, the director is authorized to**
119 **investigate the applicant under subsection 13 of this section and the time frames**
120 **established by agreement through the multistate licensing process.**

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

2 **(1) Provide notice in a manner prescribed by the director within fifteen days**
3 **after the effective date of the key individual's appointment; and**

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

6 **2. Within ninety days of the date on which the notice provided under subsection**
7 **1 of this section was determined to be complete, the director may issue a notice of**
8 **disapproval of a key individual if the competence, experience, character, or integrity of**
9 **the individual would not be in the best interests of the public or the customers of the**
10 **licensee to permit the individual to be a key individual of such licensee.**

11 **3. A notice of disapproval shall contain a statement of the basis for disapproval**
12 **and shall be sent to the licensee and the disapproved individual. A licensee may appeal a**
13 **notice of disapproval under chapter 536 within thirty days after receipt of such notice of**
14 **disapproval.**

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

18 **5. If a multistate licensing process includes a key individual notice review and**
19 **disapproval process under this section and the licensee avails itself or is otherwise**
20 **subject to the multistate licensing process:**

21 **(1) The director is authorized to accept the determination of another state if the**
22 **investigating state has sufficient staffing, expertise, and minimum standards for the**
23 **purpose of this section; or**

24 **(2) If this state is a lead investigative state, the director is authorized to**
25 **investigate the applicant under subsection 2 of this section and the time frames**
26 **established by agreement through the multistate licensing process.**

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

4 **2. The report of condition shall include:**

5 **(1) Financial information at the licensee level;**

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

9 **(3) Permissible investments report;**

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

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

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

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

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

5 **(2) Any other information as the director may reasonably require.**

6 **2. The audited financial statement shall be prepared by an independent certified**
7 **public accountant or independent public accountant who is satisfactory to the director.**

8 **3. The audited financial statements shall include or be accompanied by a**
9 **certificate of opinion of the independent certified public accountant or independent**
10 **public accountant that is satisfactory in form and content to the director. If the**
11 **certificate or opinion is qualified, the director may order the licensee to take any action**
12 **as the director may find necessary to enable the independent certified public accountant**
13 **or independent public accountant to remove the qualification.**

361.963. 1. Each licensee shall submit a report of authorized delegates within
2 **forty-five days of the end of the calendar quarter. The director is authorized to utilize**

3 NMLS for the submission of the report required under this section, provided that such
4 functionality is consistent with the requirements of this section.

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

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

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

- 4 (1) The filing of a petition by or against the licensee under the United States
5 Bankruptcy Code, 11 U.S.C. Section 101-110, as amended or recodified from time to
6 time, for bankruptcy or reorganization;
- 7 (2) The filing of a petition by or against the licensee for receivership, the
8 commencement of any other judicial or administrative proceeding for its dissolution or
9 reorganization, or the making of a general assignment for the benefit of its creditors; or
- 10 (3) The commencement of a proceeding to revoke or suspend its license in a state
11 or country in which the licensee engages in business or is licensed.

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

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

361.969. A licensee and an authorized delegate shall file all reports required by
2 federal currency reporting, record keeping, and suspicious activity reporting

3 requirements as set forth in the Bank Secrecy Act and other federal and state laws
4 pertaining to money laundering. The timely filing of a complete and accurate report
5 required under this section with the appropriate federal agency is deemed compliant
6 with the requirements of this section.

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

- 3 (1) A record of each outstanding money transmission obligation sold;
- 4 (2) A general ledger posted at least monthly containing all asset, liability, capital,
5 income, and expense accounts;
- 6 (3) Bank statements and bank reconciliation records;
- 7 (4) Records of outstanding money transmission obligations;
- 8 (5) Records of each outstanding money transmission obligation paid within the
9 three-year period;
- 10 (6) A list of the last known names and addresses of all of the licensee's authorized
11 delegates; and
- 12 (7) Any other records the director reasonably requires by rule.

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

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

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

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

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

- 7 (1) Adopt, and update as necessary, written policies and procedures reasonably
8 designed to ensure that the licensee's authorized delegates comply with applicable state
9 and federal law;
- 10 (2) Enter into a written contract that complies with subsection 4 of this section;
11 and
- 12 (3) Conduct a reasonable risk-based background investigation sufficient for the
13 licensee to determine whether the authorized delegate has complied and will likely
14 comply with applicable state and federal law.

15 **3. An authorized delegate shall operate in full compliance with sections 361.900**
16 **to 361.1035.**

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

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

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

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

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

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

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

35 **(7) Acknowledge that the authorized delegate consents to examination or**
36 **investigation by the director;**

37 **(8) State that the licensee is subject to regulation by the director and that, as part**
38 **of that regulation, the director may suspend or revoke an authorized delegate**
39 **designation or require the licensee to terminate an authorized delegate designation; and**

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

42 **5. If the licensee's license is suspended, revoked, surrendered, or expired, the**
43 **licensee shall, within five business days, provide documentation to the director that the**
44 **licensee has notified all applicable authorized delegates of the licensee whose names are**
45 **in a record filed with the directors of the suspension, revocation, surrender, or**
46 **expiration of a license. Upon suspension, revocation, surrender, or expiration of a**
47 **license, applicable authorized delegates shall immediately cease to provide money**
48 **transmission as an authorized delegate of the licensee.**

49 **6. An authorized delegate of a licensee holds in trust for the benefit of the**
50 **licensee all money net of fees received from money transmission. If any authorized**
51 **delegate commingles any funds received from money transmission with any other funds**

52 or property owned or controlled by the authorized delegate, all commingled funds and
53 other property shall be considered held in trust in favor of the licensee in an amount
54 equal to the amount of money net of fees received from money transmission.

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

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

361.981. 1. The circuit court in an action brought by a licensee shall have
2 jurisdiction to grant appropriate equitable or legal relief, including without limitation
3 prohibiting the authorized delegate from directly or indirectly acting as an authorized
4 delegate for any licensee in this state and the payment of restitution, damages, or other
5 monetary relief, if the circuit court finds that an authorized delegate failed to remit
6 money in accordance with the written contract required by subsection 2 of section
7 361.1275 or as otherwise directed by the licensee or required by law.

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

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

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

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

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

361.987. 1. This section shall not apply to:

2 **(1) Money received for transmission subject to the federal Remittance Rule, 12**
3 **CFR Part 1005, Subpart B, as amended or recodified from time to time; or**

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

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

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

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

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

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

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

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

24 **(b) Identify the particular transaction to be refunded in the event the sender has**
25 **multiple transactions outstanding.**

361.990. 1. This section shall not apply to:

2 **(1) Money received for transmission subject to the federal Remittance Rule, 12**
3 **CFR Part 1005, Subpart B, as amended or recodified from time to time;**

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

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

8 **(4) Payroll processing services.**

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

14 **3. (1) Every licensee or its authorized delegate shall provide the sender a receipt**
15 **for money received for transmission. The receipt shall contain the following**
16 **information, as applicable:**

17 **(a) The name of the sender;**

18 **(b) The name of the designated recipient;**

19 **(c) The date of the transaction;**

20 **(d) The unique transaction or identification number;**

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

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

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

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

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

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

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

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

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

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

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

9 **3. Notwithstanding the provisions of this section, the director shall have the**
10 **authority, for good cause shown, to exempt, in part or in whole, from the requirements**
11 **of this section any applicant or licensee.**

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

4 **2. The amount of the required security shall be:**

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

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

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

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

5 **2. Except for permissible investments enumerated in subsection 1 of section**
6 **361.1008, the director, with respect to any licensee, may by rule limit the extent to which**
7 **a specific investment maintained by a licensee within a class of permissible investments**
8 **may be considered a permissible investment if the specific investment represents undue**
9 **risk to customers not reflected in the market value of investments.**

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

21 **4. Upon the establishment of a statutory trust in accordance with subsection 3 of**
22 **this section or when any funds are drawn on a letter of credit under subdivision (4) of**
23 **subsection 1 of section 361.1008, the director shall notify the applicable regulator of each**
24 **state in which the licensee is licensed to engage in money transmission, if any, of the**

25 establishment of the trust or the funds drawn on the letter of credit, as applicable.
26 Notice shall be deemed satisfied if performed under a multistate agreement or through
27 NMLS. Funds drawn on a letter of credit, and any other permissible investments held
28 in trust for the benefit of the purchasers and holders of the licensee's outstanding money
29 transmission obligations, are deemed held in trust for the benefit of such purchasers and
30 holders on a pro rata and equitable basis in accordance with statutes under which
31 permissible investments are required to be held in this state, and other states, as
32 applicable. Any statutory trust established under this subsection shall be terminated
33 upon extinguishment of all of the licensee's outstanding money transmission obligations.

34 **5. The director by rule or by order may allow other types of investments that the**
35 **director determines are of sufficient liquidity and quality to be a permissible investment.**
36 **The director is authorized to participate in efforts with other state regulators to**
37 **determine that other types of investments are of sufficient liquidity and quality to be a**
38 **permissible investment.**

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

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

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

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

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

20 **(5) The full drawable amount of an irrevocable standby letter of credit for which**
21 **the stated beneficiary is the director that stipulates that the beneficiary need draw only**
22 **a sight draft under the letter of credit and present it to obtain funds up to the letter of**

23 **credit amount within seven days of presentation of the items required by paragraph (d)**
24 **of this subdivision. The letter of credit shall:**

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

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

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

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

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

36 **(d) Contain an issue date and expiration date, and expressly provide for**
37 **automatic extension, without a written amendment, for an additional period of one year**
38 **from the present or each future expiration date unless the issuer of the letter of credit**
39 **notifies the director in writing by certified or registered mail or courier mail or other**
40 **receipted means, at least sixty days prior to any expiration date, that the irrevocable**
41 **letter of credit will not be extended.**

42 **2. In the event of any notice of expiration or nonextension of a letter of credit**
43 **issued under paragraph (d) of subdivision (4) of subsection 1 of this section, the licensee**
44 **shall be required to demonstrate to the satisfaction of the director, fifteen days prior to**
45 **expiration, that the licensee maintains and will maintain permissible investments in**
46 **accordance with subsection 1 of section 361.1005 upon the expiration of the letter of**
47 **credit. If the licensee is not able to do so, the director may draw on the letter of credit in**
48 **an amount up to the amount necessary to meet the licensee's requirements to maintain**
49 **permissible investments in accordance with subsection 1 of section 361.1005. Any such**
50 **draw shall be offset against the licensee's outstanding money transmission obligations.**
51 **The drawn funds shall be held in trust by the director or the director's designated agent,**
52 **to the extent authorized by law, as agent for the benefit of the purchasers and holders of**
53 **the licensee's outstanding money transmission obligations.**

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

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

58 **(2) A written statement from the beneficiary stating that any of the following**
59 **events have occurred:**

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

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

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

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

73 4. The director may designate an agent to serve on the director's behalf as
74 beneficiary to a letter of credit so long as the agent and letter of credit meet
75 requirements established by the director. The director's agent may serve as agent for
76 multiple licensing authorities for a single irrevocable letter of credit if the proceeds of
77 the drawable amount for the purposes of this subsection are assigned to the director.

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

82 6. Unless permitted by the director by rule or by order to exceed the limit as set
83 forth herein, the following investments are permissible under section 361.1005 to the
84 extent specified:

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

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

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

95 (b) Commercial paper bearing an eligible rating;

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

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

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

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

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

111 **(a) Has an eligible rating;**

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

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

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

361.1011. 1. The director may suspend or revoke a license or order a licensee to
2 **revoke the designation of an authorized delegate if:**

3 **(1) The licensee violates sections 361.900 to 361.1035 or a rule adopted or an**
4 **order issued under sections 361.900 to 361.1035;**

5 **(2) The licensee does not cooperate with an examination or investigation by the**
6 **director;**

7 **(3) The licensee engages in fraud, intentional misrepresentation, or gross**
8 **negligence;**

9 **(4) An authorized delegate is convicted of, or enters a plea of guilty or nolo**
10 **contendere to a felony involving an act of fraud, dishonesty, a breach of trust, or money**
11 **laundering, or violates a rule adopted or an order issued under sections 361.900 to**
12 **361.1035 as a result of the licensee's willful misconduct or willful blindness;**

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

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

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

20 (8) The licensee does not remove an authorized delegate after the director issues
21 and serves upon the licensee a final order including a finding that the authorized
22 delegate has violated sections 361.900 to 361.1035.

23 2. In determining whether a licensee is engaging in an unsafe or unsound
24 practice, the director may consider the size and condition of the licensee's money
25 transmission, the magnitude of the loss, the gravity of the violation of sections 361.900 to
26 361.1035, and the previous conduct of the person involved.

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

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

5 (2) The authorized delegate did not cooperate with an examination or
6 investigation by the director;

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

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

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

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

16 2. In determining whether an authorized delegate is engaging in an unsafe or
17 unsound practice, the director may consider the size and condition of the authorized
18 delegate's provision of money transmission, the magnitude of the loss, the gravity of the
19 violation of sections 361.900 to 361.1035 or a rule adopted or order issued under sections
20 361.900 to 361.1035, and the previous conduct of the authorized delegate.

21 3. An authorized delegate may apply for relief from a suspension or revocation
22 of designation as an authorized delegate according to procedures prescribed by the
23 director.

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

6 the licensee or authorized delegate to cease and desist from the violation. The order
7 becomes effective upon service to the licensee or authorized delegate.

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

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

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

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

361.1020. The director may enter into a consent order at any time with a person
2 to resolve a matter arising under sections 361.900 to 361.1035 or a rule adopted or order
3 issued under sections 361.900 to 361.1035. A consent order shall be signed by the person
4 to whom it is issued or by the person's authorized representative and shall indicate
5 agreement with the terms contained in the order. A consent order may provide that it
6 does not constitute an admission by a person that sections 361.900 to 361.1035 or a rule
7 adopted or an order issued under sections 361.900 to 361.1035 has been violated.

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

5 2. A person that knowingly engages in an activity for which a license is required
6 under sections 361.900 to 361.1035 without being licensed under sections 361.900 to
7 361.1035 and that receives more than five hundred dollars in compensation within a
8 thirty-day period for this activity is guilty of a class E felony.

9 3. A person that knowingly engages in an activity for which a license is required
10 under sections 361.900 to 361.1035 without being licensed under sections 361.900 to
11 361.1035 and that receives no more than five hundred dollars in compensation within a
12 thirty-day period for this activity is guilty of a class A misdemeanor.

361.1026. The director may assess a civil penalty against a person that violates
2 sections 361.900 to 361.1035 or a rule adopted or an order issued under sections 361.900
3 to 361.1035 in an amount not to exceed one thousand dollars per day for each day the
4 violation is outstanding, plus this state's costs and expenses for the investigation and
5 prosecution of the matter, including reasonable attorney's fees.

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

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

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

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

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

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

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

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

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

362.1010. Sections 362.1010 to ~~362.1115~~ 362.1117 shall be known and may be cited as the "Missouri Family Trust Company Act".

362.1015. For purposes of sections 362.1010 to ~~362.1115~~ 362.1117, the following terms mean:

(1) "Authorized representative", if a family trust company is organized as a corporation, then an officer or director of the family trust company or, if a family trust company is organized as a limited liability company, then a manager, officer, or member of the family trust company;

- 7 (2) "Collateral kinship", a relationship that is not lineal but stems from a common
8 ancestor;
- 9 (3) "Controlling stockholder or member", an individual who owns or has the ability or
10 power to directly or indirectly vote ten percent or more of the outstanding shares, membership
11 interest, or membership units of the family trust company;
- 12 (4) "Designated relative", a common ancestor of a family, either living or deceased,
13 who is so designated in a family trust company's initial registration application and any
14 annual registration report;
- 15 (5) **"Director", the director of the Missouri division of finance;**
- 16 (6) **"Director's designee", an attorney-at-law or a certified public accountant**
17 **designated by the director under subsection 1 of section 362.1085;**
- 18 (7) "Engage in trust company business with the general public", any sales,
19 solicitations, arrangements, agreements, or transactions to provide trust or other business
20 services, whether for a fee, commission, or any other type of remuneration, with any person
21 who is not a family member or any sole proprietorship, partnership, limited liability company,
22 joint venture, association, corporation, trust, estate, business trust, or other company that is
23 not one hundred percent owned by one or more family members;
- 24 ~~[(6)]~~ (8) "Family affiliate", a company or other entity wholly and exclusively owned
25 by, directly or indirectly, and operated for the sole benefit of:
- 26 (a) One or more family members; or
- 27 (b) Charitable foundations, charitable trusts, or other charitable entities if such
28 foundation, trust, or entity is funded exclusively by one or more family members;
- 29 ~~[(7)]~~ (9) "Family member":
- 30 (a) A designated relative;
- 31 (b) Any person within the tenth degree of lineal kinship of a designated relative;
- 32 (c) Any person within the ninth degree of collateral kinship to a designated relative;
- 33 (d) The spouse of any person who qualifies under paragraphs (a) through (c) of this
34 subdivision;
- 35 (e) Any former spouse of any person who qualifies under paragraphs (a) through (c)
36 of this subdivision;
- 37 (f) The probate estate of any person who qualified as a family member under
38 paragraphs (a) through (e) of this subdivision;
- 39 (g) A family affiliate;
- 40 (h) An irrevocable trust funded exclusively by one or more family members of which
41 all permissible distributees, as defined under subdivision (16) of section 456.1-103, qualify
42 under paragraphs (a) through (g) of this subdivision or are charitable foundations, charitable
43 trusts, or other charitable entities;

44 (i) An irrevocable trust of which one or more family members are the only
45 permissible distributees; or

46 (j) A revocable trust of which one or more family members are the sole settlors.
47

48 For purposes of this subdivision, a legally adopted person shall be treated as a natural child of
49 the adoptive parents; a stepchild shall be treated as a natural child of the family member who
50 is or was the stepparent of that child; and a foster child or an individual who was a minor
51 when a family member became his or her legal guardian shall be treated as a natural child of
52 the family member appointed as foster parent or guardian. Degrees of kinship are calculated
53 by adding the number of steps from the designated relative through each person to the family
54 member either directly in case of lineal kinship or through the common ancestor in the case of
55 collateral kinship;

56 ~~[(8)]~~ (10) "Family trust company", a corporation or limited liability company
57 organized or qualified to do business in this state that is wholly owned and exclusively
58 controlled by, directly or indirectly, one or more family members, excluding any former
59 spouse of a family member; that operates for the exclusive benefit of a family member
60 regardless of whether compensation is received or anticipated; and that does not engage in
61 trust company business with the general public or otherwise hold itself out as a trustee for hire
62 by advertisement, solicitation, or other means. The term "family trust company" shall include
63 foreign family trust companies unless context indicates otherwise;

64 ~~[(9)]~~ (11) "Family trust company affiliated party":

65 (a) A director, officer, manager, employee, or controlling stockholder or member of a
66 family trust company; or

67 (b) A stockholder, member, or any other person as determined by the ~~[secretary]~~
68 **director** who participates in the affairs of a family trust company;

69 ~~[(10)]~~ (12) "Foreign family trust company", a family trust company that:

70 (a) Is licensed by the District of Columbia or a state in the United States other than
71 this state;

72 (b) Has its principal place of business in the District of Columbia or a state in the
73 United States other than this state;

74 (c) Is operated in accordance with family or private trust company laws of the District
75 of Columbia or of the state in which it is licensed;

76 (d) Is subject to statutory or regulatory mandated oversight by the District of
77 Columbia or state in which the principal place of business is located; and

78 (e) Is not owned by or a subsidiary of a corporation, limited liability company, or
79 other business entity that is organized in or licensed by any foreign country;

80 ~~[(11)]~~ **(13)** "Lineal kinship", a relationship in the direct line of ascent or descent from
81 a designated relative;

82 ~~[(12)]~~ **(14)** "Officer", an individual, regardless of whether the individual has an
83 official title or receives a salary or other compensation, who may participate in the major
84 policy-making functions of a family trust company other than as a director. The term shall
85 not include an individual who may have an official title and exercises discretion in the
86 performance of duties and functions but who does not participate in determining the major
87 policies of the family trust company and whose decisions are limited by policy standards
88 established by other officers, regardless of whether the policy standards have been adopted by
89 the board of directors. The chair of the board of directors, the president, the chief executive
90 officer, the chief financial officer, the senior trust officer, all executive vice presidents of a
91 family trust company, and all managers if organized as a limited liability company are
92 presumed to be officers unless such officer is excluded, other than in the capacity of a
93 director, by resolution of the board of directors or members or by the bylaws or operating
94 agreement of the family trust company from participating in major policy-making functions
95 of the family trust company, and such excluded officer does not actually participate therein;

96 ~~[(13)]~~ **(15)** "Organizational instrument", the articles of incorporation for a corporation
97 or the articles of organization for a limited liability company, as they may be amended or
98 supplemented from time to time;

99 ~~[(14)]~~ **(16)** "Principal place of business", the physical location where officers of a
100 family trust company direct, control, and coordinate the trust company's activities;

101 ~~[(15)]~~ **(17)** "Principal place of operations", the physical location in this state where a
102 foreign family trust company stores and maintains its books and records pertaining to
103 operations in this state;

104 ~~[(16)]~~ **(18)** "Qualified beneficiary", the same meaning as defined under subdivision
105 (21) of section 456.1-103;

106 ~~[(17)]~~ **(19)** "Registered agent", a business or individual designated by a family trust
107 company to receive service of process on behalf of the family trust company;

108 ~~[(18)]~~ **(20)** "Reports of examinations, operations, or conditions", records submitted to
109 the ~~[secretary]~~ **director** or prepared by the ~~[secretary]~~ **director** as part of the ~~[secretary's]~~
110 **director's** duties performed under sections 362.1010 to 362.1117;

111 ~~[(19)]~~ "Secretary", ~~the secretary of state for the state of Missouri;~~

112 ~~(20)~~ "Secretary's designee", ~~an attorney at law or a certified public accountant~~
113 ~~designated by the secretary under subsection 1 of section 362.1085;~~

114 (21) "Working papers", the records of the procedures followed, tests performed,
115 information obtained, and conclusions reached in an investigation under sections 362.1010 to
116 362.1117. The term shall also include books and records.

362.1030. 1. There is hereby established in the state treasury the "Family Trust Company Fund", which shall consist of all fees collected by the ~~[secretary]~~ **director** from family trust companies registering as provided in this section. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund, and moneys in the fund shall be used solely to support the ~~[secretary's]~~ **director's** role and fulfillment of duties under sections 362.1010 to 362.1117. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium that exceed twenty thousand dollars shall revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

2. A family trust company that is not a foreign family trust company shall not conduct business in this state unless such family trust company:

(1) ~~[Files its organizational instrument with the secretary]~~ **Files with the director, an initial registration application in a format prescribed by the director, a one-time original filing fee of five thousand dollars, the proposed organizational instruments to be filed with the secretary of state, and all required filing fees; and**

(2) ~~[Pays a one-time original filing fee of five thousand dollars to the secretary]~~ **Receives from the director an order approving the application, instruction as to who shall file the order, the proposed organizational instruments and all required filing fees with the secretary of state;** ~~and~~

(3) ~~Registers by filing with the secretary an initial registration application in a format prescribed by the secretary].~~

A family trust company that is not a foreign family trust company that is, as of August 28, 2024, a registered family trust company in good standing with the secretary of state shall be deemed to have complied with the requirements of subsection 2 of section 362.1030.

3. A foreign family trust company shall not conduct business in this state unless such foreign family trust company:

(1) ~~[Pays a one-time original filing fee of five thousand dollars to the secretary]~~ **Files with the director, an initial registration application in a format prescribed by the director, a one-time original filing fee of five thousand dollars, the proposed application for a certificate of authority if a corporation or application for registration if a limited liability company to be filed with the secretary of state, and all required filing fees; and**

(2) ~~[Registers by filing with the secretary an initial registration application in a format prescribed by the secretary]~~ **Receives from the director an order approving the**

38 **application, instruction as to who shall file the order, the proposed application for a**
 39 **certificate of authority if a corporation, or application for registration if a limited**
 40 **liability company, to be filed with the secretary of state and all required filing fees[; and**

41 ~~(3) If such foreign family trust company is a corporation, files an application for a~~
 42 ~~certificate of authority or, if such foreign family trust company is a limited liability company,~~
 43 ~~files an application for registration].~~

44

45 **A foreign family trust company that is, as of August 28, 2024, a registered family trust**
 46 **company in good standing with the secretary of state shall be deemed to have complied**
 47 **with the requirements of subsection 3 of section 362.1030.**

48 4. The ~~[secretary]~~ **director** shall deposit all family trust company filing fees into the
 49 family trust company fund established under subsection 1 of this section.

50 5. A foreign family trust company application shall be submitted on a form prescribed
 51 by the ~~[secretary]~~ **director** and be signed, under penalty of perjury, by an authorized
 52 representative. At a minimum, the application shall include:

53 (1) A statement attesting that the foreign family trust company:

54 (a) Will comply with the provisions of sections 362.1010 to 362.1117; and

55 (b) Is in compliance with the family trust company laws and regulations of the
 56 jurisdiction of its incorporation or organization;

57 (2) The current telephone number and street address of:

58 (a) The foreign family trust company's principal place of business in the jurisdiction
 59 of its incorporation or organization;

60 (b) The foreign family trust company's principal place of operations; and

61 (c) Any other offices located within this state;

62 (3) The name and current street address in this state of its registered agent;

63 (4) A certified copy of a certificate of good standing, or an equivalent document,
 64 authenticated by the official having custody of records in the jurisdiction where the foreign
 65 family trust company is incorporated or organized;

66 (5) Satisfactory proof, as determined by the ~~[secretary]~~ **director**, that the foreign
 67 family trust company is organized in a manner similar to a Missouri family trust company and
 68 is in compliance with the family trust company laws and regulations of the jurisdiction in
 69 which the foreign family trust company was incorporated or organized; and

70 (6) Any other information reasonably ~~[and customarily]~~ required by the ~~[secretary of~~
 71 ~~foreign corporations or foreign limited liability companies seeking to qualify to conduct~~
 72 ~~business in this state]~~ **director**.

362.1035. 1. No family trust company shall be organized or operated with a capital
 2 account of less than two hundred fifty thousand dollars. The full amount of the initial capital

3 account of a family trust company shall consist of one or more asset groups described under
4 subsection 1 of section 362.1070, exclusive of all organization expenses.

5 2. A family trust company shall maintain:

6 (1) A physical office in this state where original or true copies, including electronic
7 copies, of all material business records and accounts of the family trust company may be
8 accessed and are readily available for examination by the ~~secretary~~ **director**. A family trust
9 company may also maintain one or more branch offices within or outside of this state;

10 (2) A registered agent who maintains an office in this state;

11 (3) All applicable state and local business licenses, charters, and permits; and

12 (4) A deposit account with a state-chartered or national financial institution that has a
13 principal or branch office in this state.

14 3. In addition to the requirements of subsection 2 of this section, a foreign family trust
15 company shall also:

16 (1) Be in good standing in the jurisdiction in which it is incorporated or organized;
17 and

18 (2) Stay in compliance with the family trust company laws and regulations of such
19 jurisdiction.

362.1040. 1. One or more persons may subscribe to an organizational instrument in
2 writing for the purpose of forming a family trust company, subject to the conditions
3 prescribed by law.

4 2. The organizational instrument of a family trust company shall set forth all of the
5 information required under chapter 347 or 351, as applicable, and the following:

6 (1) The name of the company, which shall distinguish the company from any other
7 nonfamily trust company or family trust company formed or engaging in business in this
8 state. If the word "trust" is included in the name, it shall be immediately preceded by the
9 word "family" so as to distinguish the entity from a nonfamily trust company operating under
10 this chapter. This subdivision shall not apply to a foreign family trust company using a
11 fictitious name that is registered and maintained in this state pursuant to the requirements
12 administered by the secretary **of state** and that distinguishes the foreign family trust company
13 from a nonfamily trust company authorized to operate under this chapter;

14 (2) A statement that the purpose for which the company is formed is to engage in any
15 and all activities permitted under sections 362.1010 to 362.1117; and

16 (3) A statement affirming that the family trust company shall not engage in trust
17 company business with the general public.

18 3. The term "trust company" in the name adopted by a family trust company shall not
19 be deemed to violate section 362.425.

362.1055. 1. A family trust company shall file an annual registration report with, and
2 shall pay an annual filing fee of one thousand dollars to, the ~~[secretary]~~ **director**.

3 2. The annual registration report filed by a family trust company that is not a foreign
4 family trust company shall include:

5 (1) A statement by an authorized representative verifying that the family trust
6 company is in compliance with the provisions of sections 362.1010 to 362.1117 and with
7 applicable federal laws including, but not limited to, anti-money laundering and customer-
8 identification rules or regulations;

9 (2) The name of the company's designated relative and the street address for its
10 principal place of business; and

11 (3) Any other information reasonably ~~[and customarily]~~ required by the ~~[secretary of~~
12 ~~general business corporations in connection with filing their annual registration reports]~~
13 **director**.

14 3. The annual registration report filed by a foreign family trust company shall
15 include:

16 (1) A statement by an authorized representative verifying that the foreign family trust
17 company is in compliance with the provisions of sections 362.1010 to 362.1117, with the
18 family trust company laws and regulations of the jurisdiction in which it was incorporated or
19 organized, and with applicable federal laws including, but not limited to, anti-money
20 laundering and customer-identification rules or regulations;

21 (2) The current telephone number and street address of the foreign family trust
22 company's principal place of business in the jurisdiction in which it was incorporated or
23 organized;

24 (3) The current telephone number and street address of the foreign family trust
25 company's principal place of operations;

26 (4) The current telephone number and address of the physical location of any other
27 offices located in this state;

28 (5) The name and current street address in this state of the trust company's registered
29 agent;

30 (6) Documentation, to the satisfaction of the ~~[secretary]~~ **director**, showing that the
31 foreign family trust company is in compliance with the family trust company laws and
32 regulations of the jurisdiction in which it was incorporated or organized; and

33 (7) Any other information reasonably ~~[and customarily]~~ required by the ~~[secretary of~~
34 ~~general business corporations in connection with filing their annual registration reports]~~
35 **director**.

36 4. An annual registration report shall be submitted on a form prescribed by the
37 ~~[secretary]~~ **director** and signed under penalty of perjury by an authorized representative.

362.1060. 1. A family trust company may, but only for family members:

2 (1) Act as a sole or copersonal representative, executor, or administrator for a probate
3 estate within or outside this state;

4 (2) Act as an attorney-in-fact or agent under a power of attorney;

5 (3) Except as provided under section 362.1065, act within or outside this state as a
6 sole fiduciary or cofiduciary, including acting as a trustee, advisory agent, assignee, assignee
7 for the benefit of creditors, authenticating agent, bailee, bond or indenture trustee,
8 conservator, conversion agent, custodian, escrow agent, fiscal or paying agent, financial
9 advisor, guardian, investment advisor or manager, managing agent, purchase agent, receiver,
10 registrar, safekeeping or subscription agent, transfer agent for entities other than public
11 companies, warrant agent, or other similar capacity generally performed by a corporate
12 trustee. In so acting, the family trust company may possess, purchase, sell, invest, reinvest,
13 safekeep, or otherwise manage or administer the real or personal property of family members;

14 (4) Exercise the powers of a corporation or limited liability company incorporated or
15 organized under the laws of this state, or qualified to transact business as a foreign
16 corporation or limited liability company under the laws of this state that are reasonably
17 necessary to enable the trust company to fully exercise a power conferred under sections
18 362.1010 to 362.1117 in accordance with commonly accepted customs and usages;

19 (5) Delegate duties and powers, including investment and management functions
20 under section 469.909, in accordance with the powers granted to a trustee under chapter 456
21 or other applicable law and retain agents, attorneys, accountants, investment advisors, or
22 other individuals or entities to advise or assist the family trust company in the exercise of its
23 powers and duties under sections 362.1010 to 362.1117 and chapter 456. Such exercise of
24 power may include, but is not limited to, retaining a bank trust department or a public trust
25 company other than another family trust company; and

26 (6) Perform all acts necessary to exercise the powers enumerated in this section or
27 authorized under sections 362.1010 to 362.1117 and other applicable laws of this state.

28 2. A foreign family trust company **that has complied with section 362.1030 and is**
29 in good standing in the jurisdiction in which it is incorporated or organized may exercise all
30 the trust powers in this state that a Missouri family trust company may exercise.

362.1085. 1. The ~~secretary~~ **director** may designate an attorney-at-law or a certified
2 public accountant to examine or investigate, or assist in the examination of, a family trust
3 company.

4 2. The ~~secretary~~ **director** or the ~~secretary's~~ **director's** designee may examine or
5 investigate a family trust company at any time the ~~secretary~~ **director** deems necessary to
6 determine if the family trust company engaged in an act prohibited under section 362.1065 or

7 362.1080 and, if a family trust company engaged in such act, to determine whether any other
8 applicable law was violated.

9 3. The **[secretary] director** or the **[secretary's] director's** designee may examine the
10 books and records of a foreign family trust company at any time the **[secretary] director**
11 deems necessary to determine if such foreign family trust company is in compliance with
12 sections 362.1010 to 362.1117. In connection with an examination of the books and records
13 of the trust company, the **[secretary] director** or the **[secretary's] director's** designee may rely
14 upon the most recent examination report, review, certification letters, or similar
15 documentation issued by the agency supervising the foreign family trust company in the
16 jurisdiction in which the foreign family trust company is incorporated or organized. The
17 examination by the **[secretary] director** or the **[secretary's] director's** designee of the books
18 and records of a foreign family trust company shall be, to the extent practicable, limited to
19 books and records of operations in this state.

20 4. For each examination or investigation of a family trust company under this section,
21 the family trust company shall pay the costs of the examination or investigation. As used in
22 this subsection, the term "costs" means the salary of and travel expenses incurred by any
23 individual that are directly attributable to the examination or investigation of the family trust
24 company. The mailing of payment for costs incurred shall be postmarked within thirty days
25 after the receipt of a notice that states the costs are due. The **[secretary] director** may levy a
26 late payment of up to one hundred dollars per day for each day that a payment is overdue
27 unless waived for good cause. However, if the late payment of costs is intentional, the
28 **[secretary] director** may levy an administrative fine of up to one thousand dollars per day for
29 each day the payment is overdue.

30 5. The **[secretary] director** may establish by rule the requirements and records
31 necessary to demonstrate conformity with sections 362.1010 to 362.1117 by a family trust
32 company.

362.1090. 1. The **[secretary] director** or the **[secretary's] director's** designee may
2 issue and serve upon a family trust company or family trust company affiliated party a notice
3 of charges if the **[secretary] director** or the **[secretary's] director's** designee has reason to
4 believe that such company, family trust company affiliated party, or individual named therein
5 is engaging in or has engaged in any of the following acts:

- 6 (1) The family trust company fails to satisfy the requirements of a family trust
7 company or foreign family trust company under sections 362.1010 to 362.1117;
- 8 (2) A violation of section 362.1035, 362.1040, 362.1050, 362.1055, 362.1060, or
9 362.1080;
- 10 (3) A violation of any rule of the **[secretary] director**;
- 11 (4) A violation of any order of the **[secretary] director**;

- 12 (5) A breach of any written agreement with the **[secretary] director**;
- 13 (6) A prohibited act or practice under section 362.1065;
- 14 (7) A willful failure to provide information or documents to the **[secretary] director**
15 upon written request;
- 16 (8) An act of commission or omission that is judicially determined by a court of
17 competent jurisdiction to be a breach of trust or fiduciary duty; or
- 18 (9) A violation of state or federal law related to anti-money laundering, customer
19 identification, or any related rule or regulation.
- 20 2. The notice of charges shall contain a statement of facts and notice of opportunity
21 for a hearing.
- 22 3. If no hearing is requested within thirty days after the date of service of the notice of
23 charges or if a hearing is held and the **[secretary] director** or **[secretary's] director's** designee
24 finds that any of the charges are true, the **[secretary] director** or **[secretary's] director's**
25 designee may enter an order directing the family trust company, family trust company
26 affiliated party, or the individual named in the notice of charges to cease and desist such
27 conduct and to take corrective action.
- 28 4. A contested or default cease and desist order is effective when reduced to writing
29 and served upon the family trust company, family trust company affiliated party, or the
30 individual named therein. An uncontested cease and desist order is effective as agreed.
- 31 5. If the **[secretary] director** or the **[secretary's] director's** designee finds that
32 conduct described under subsection 1 of this section is likely to cause substantial prejudice to
33 members, shareholders, beneficiaries of fiduciary accounts of the family trust company, or
34 beneficiaries of services rendered by the family trust company, the **[secretary] director** or the
35 **[secretary's] director's** designee may issue an emergency cease and desist order requiring the
36 family trust company, family trust company affiliated party, or individual named therein to
37 immediately cease and desist from engaging in the conduct stated and to take corrective
38 action. The emergency order is effective immediately upon service of a copy of the order
39 upon the family trust company or family trust company affiliated party and shall remain
40 effective for ninety days. If the **[secretary] director** or the **[secretary's] director's** designee
41 begins nonemergency cease and desist proceedings under subsection 1 of this section, the
42 emergency order shall remain effective until the conclusion of the proceedings under this
43 section.
- 44 6. A family trust company shall have ninety days to wind up its affairs after entry of
45 any order to cease and desist from operating as a family trust company. If a family trust
46 company that is not a foreign family trust company is still operating after ninety days, the
47 **[secretary] director** or the **[secretary's] director's** designee may seek an order from a circuit
48 court for the annulment or dissolution of the company. If a foreign family trust company is

49 still operating after ninety days, the **[secretary] director** or the **[secretary's] director's**
50 designee may seek an injunction from a circuit court restraining the company from continuing
51 to operate in this state.

362.1095. If a family trust company fails to submit within the prescribed period its
2 annual registration report or any other report required by sections 362.1010 to 362.1117 or
3 rule, the **[secretary] director** may impose a fine of up to one hundred dollars for each day that
4 the annual registration report or other report is overdue. Failure to provide the annual
5 registration report within sixty days after the end of the calendar year shall automatically
6 result in termination of the registration of a family trust company. A family trust company
7 may have its registration automatically reinstated by submitting to the **[secretary] director**, on
8 or before August thirty-first of the calendar year in which the annual registration report is due,
9 the company's annual registration report, a five hundred dollar late fee, and the amount of any
10 fine imposed by the **[secretary] director** under this section. A family trust company that fails
11 to renew or reinstate its registration shall wind up its affairs on or before November thirtieth
12 of the calendar year in which such failure occurs.

362.1100. 1. The **[secretary] director** or the **[secretary's] director's** designee may
2 issue and serve upon a family trust company and a family trust company affiliated party a
3 notice of charges if the **[secretary] director** or the **[secretary's] director's** designee has reason
4 to believe that the family trust company affiliated party is engaging or has engaged in conduct
5 that:

- 6 (1) Demonstrates that the family trust (1) company does not satisfy the requirements of a
7 family trust company or of a foreign family trust company under sections 362.1010 to
8 362.1117;
- 9 (2) Is a prohibited act or practice under section 362.1065;
- 10 (3) Violates section 362.1035, 362.1040, 362.1050, 362.1055, 362.1060, or 362.1080;
- 11 (4) Violates any other law involving fraud or moral turpitude that constitutes a felony;
- 12 (5) Violates a state or federal law related to anti-money laundering, customer
13 identification, or any related rule or regulation;
- 14 (6) Is a willful violation of a rule of the **[secretary] director**;
- 15 (7) Is a willful violation of an order of the **[secretary] director**;
- 16 (8) Is a willful breach of a written agreement with the **[secretary] director**; or
- 17 (9) Is an act of commission or omission or a practice that the **[secretary] director** or
18 the **[secretary's] director's** designee has reason to believe is a breach of trust or fiduciary
19 duty.

20 2. The notice of charges shall contain a statement of facts and notice of opportunity
21 for a hearing.

22 3. If no hearing is requested within thirty days after the date of service of the notice of
23 charges or if a hearing is held and the ~~[secretary]~~ **director** or ~~[secretary's]~~ **director's** designee
24 finds that any of the charges in the notice of charges are true, the ~~[secretary]~~ **director** or
25 ~~[secretary's]~~ **director's** designee may enter an order that removes the family trust company
26 affiliated party from the family trust company or that restricts or prohibits the family trust
27 company affiliated party from participating in the affairs of the family trust company.

28 4. A contested or default order of removal is effective when reduced to writing and
29 served upon the family trust company and the family trust company affiliated party. An
30 uncontested order of removal is effective as agreed.

31 5. (1) The chief executive officer of a family trust company or the person holding the
32 equivalent office shall promptly notify the ~~[secretary]~~ **director** if such person has actual
33 knowledge that a family trust company affiliated party is charged with a felony in a state or
34 federal court.

35 (2) If a family trust company affiliated party is charged with a felony in a state or
36 federal court or, in a court of a foreign country with which the United States maintains
37 diplomatic relations, is charged with an offense that involves a violation of law relating to
38 fraud, currency transaction reporting, money laundering, theft, or moral turpitude and such
39 offense is equivalent to a felony charge under state or federal law, then the ~~[secretary]~~
40 **director** or the ~~[secretary's]~~ **director's** designee may enter an emergency order that suspends
41 the family trust company affiliated party or that restricts or prohibits participation by such
42 party in the affairs of the family trust company effective upon service of the order on the
43 company and such family trust company affiliated party.

44 (3) The order shall contain notice of opportunity for a hearing, at which the family
45 trust company affiliated party may request a postsuspension hearing to show that continued
46 service to or participation in the affairs of the family trust company does not pose a threat to
47 the interests of the family trust company. In accordance with applicable rules, the ~~[secretary]~~
48 **director** or ~~[secretary's]~~ **director's** designee shall notify the family trust company affiliated
49 party whether the order suspending or prohibiting the family trust company affiliated party
50 from participating in the affairs of the family trust company will be rescinded or otherwise
51 modified. The emergency order shall remain in effect, unless otherwise modified by the
52 ~~[secretary]~~ **director** or ~~[secretary's]~~ **director's** designee, until the criminal charge is disposed.
53 The emergency order shall dissolve upon the final, unappealed dismissal of all charges
54 against or the acquittal of the family trust company affiliated party. Such occurrences shall
55 not prohibit the ~~[secretary]~~ **director** or the ~~[secretary's]~~ **director's** designee from instituting
56 proceedings under subsection 1 of this section. If the family trust company affiliated party
57 charged is convicted or pleads guilty or nolo contendere, regardless of adjudication, the
58 emergency order shall become final.

59 6. No family trust company affiliated party removed from office under this section
60 shall be eligible for reinstatement to such office or to any other official position in a family
61 trust company or financial institution in this state except with the written consent of the
62 ~~[secretary]~~ **director**. A family trust company affiliated party who is removed, restricted, or
63 prohibited from participation in the affairs of a family trust company under this section may
64 petition the ~~[secretary]~~ **director** for modification or termination of such removal, restriction,
65 or prohibition.

66 7. The resignation, termination of employment or participation, or separation from a
67 family trust company of the family trust company affiliated party shall not affect the
68 jurisdiction and authority of the ~~[secretary]~~ **director** or the ~~[secretary's]~~ **director's** designee to
69 issue a notice and proceed under this section against the family trust company affiliated party
70 if such notice is served within six years of the date such person ceased to be a family trust
71 company affiliated party.

362.1105. 1. The books and records of a family trust company are confidential and
2 shall be made available for inspection and examination only:

3 (1) To the ~~[secretary]~~ **director** or the ~~[secretary's]~~ **director's** authorized
4 representative;

5 (2) To any person authorized to act for the family trust company;

6 (3) As compelled by a court, pursuant to a subpoena issued in accordance with state
7 or federal law. Before the production of the books and records, the party seeking production
8 shall agree to reimburse the company for the reasonable costs and fees incurred in compliance
9 with the production. If the parties disagree on the amount of reimbursement, the party
10 seeking the records may request the court that issued the subpoena to set the amount of
11 reimbursement;

12 (4) Pursuant to a subpoena held by any federal or state law enforcement or
13 prosecutorial instrumentality authorized to investigate suspected criminal activity;

14 (5) As authorized by, if a corporation, the board of directors or, if a limited liability
15 company, the managers; or

16 (6) As provided under subsection 2 of this section.

17 2. (1) If a corporation, each customer and stockholder, or if a limited liability
18 company, each member has the right to inspect the books and records of a family trust
19 company as they pertain to such person's accounts or the determination of such person's
20 voting rights.

21 (2) The books and records pertaining to customers, members, and stockholders of a
22 family trust company shall be kept confidential by the company and its directors, managers,
23 officers, and employees. The books and records of customers, members, and stockholders
24 shall not be released except upon the express authorization of the customer as to his or her

25 own accounts or a stockholder or member regarding his or her voting rights. However,
26 information may be released without the authorization of a customer, member, or shareholder
27 in a manner prescribed by the board of directors of a corporation or managers of a limited
28 liability company for the purposes of verifying or corroborating the existence or amount of a
29 customer's account if such information is reasonably provided to meet the needs of commerce
30 and to ensure accurate credit information. Notwithstanding this subdivision, this subsection
31 shall not prohibit a family trust company from disclosing financial information as permitted
32 under 15 U.S.C. Section 6802, as amended.

33 (3) The willful unlawful disclosure of confidential information in violation of this
34 section shall be a class E felony.

35 (4) This subsection shall not apply to a foreign family trust company. The laws of the
36 jurisdiction in which a foreign family trust company was incorporated or organized govern
37 the rights of its customers, members, and stockholders to inspect its books and records.

38 3. For purposes of this section, the term "books and records" shall include, but is not
39 limited to, the initial registration documents of a family trust company under section
40 362.1030 and the annual registration report made by a family trust company under section
41 362.1055.

362.1110. 1. A family trust company shall keep at its principal place of business or
2 principal place of operations:

3 (1) Full and complete records of the names and residences of all its shareholders or
4 members;

5 (2) The number of shares or membership units held by each, as applicable; and

6 (3) The ownership percentage of each shareholder or member.

7

8 The records are subject to inspection by all shareholders or members of the family trust
9 company and the **[secretary] director** or the **[secretary's] director's** authorized representative
10 during the normal business hours of the family trust company. A current list of shareholders
11 or members shall be made available to the **[secretary] director** or the **[secretary's] director's**
12 authorized representative for their inspection and, upon the request of the **[secretary]**
13 **director**, shall be submitted to the **[secretary] director**.

14 2. The **[secretary] director** shall retain for at least ten years:

15 (1) Examination reports;

16 (2) Investigatory records;

17 (3) The organizational instrument of a family trust company; and

18 (4) The annual registration reports filed by a family trust company.

19 3. A copy of any document on file with the **[secretary] director** that is certified by the
20 **[secretary] director** as a true copy may be introduced in evidence as if it were the original.

21 The [secretary] **director** shall establish a schedule of fees for preparing true copies of
22 documents.

23 4. Orders issued by courts or administrative law judges for the production of
24 confidential records or information shall provide for inspection in camera by the court or the
25 administrative law judge. If the court or administrative law judge determines that the
26 documents requested are relevant or would likely lead to the discovery of admissible
27 evidence, the documents shall be subject to further orders by the court or the administrative
28 law judge to protect the confidentiality thereof. An order directing the release of information
29 shall be immediately reviewable, and a petition by the [secretary] **director** for review of the
30 order shall automatically stay any further proceedings in a trial court or administrative
31 hearing until the disposition of the petition by the reviewing court. If any other party files a
32 petition for review, such filing shall stay proceedings only upon an order of the reviewing
33 court.

362.1115. 1. The following information held by the [secretary] **director** is
2 confidential and exempt from chapter 610:

3 (1) Any personal identifying information appearing in records relating to a
4 registration or an annual certification of a family trust company;

5 (2) Any personal identifying information appearing in records relating to an
6 examination of a family trust company;

7 (3) Any personal identifying information appearing in reports of examinations,
8 operations, or conditions of a family trust company, including working papers;

9 (4) Any portion of a list of names of the shareholders or members of a family trust
10 company;

11 (5) Information received by the [secretary] **director** from a person from another state
12 or nation or the federal government that is otherwise confidential or exempt under the laws of
13 such state or nation or under federal law; and

14 (6) An emergency cease and desist order issued under section 362.1090 until the
15 emergency order is made permanent, unless the [secretary] **director** finds that such
16 confidentiality will result in substantial risk of financial loss to the public.

17 2. Information made confidential and exempt under subsection 1 of this section may
18 be disclosed by the [secretary] **director** to:

19 (1) The authorized representative or representatives of the family trust company
20 under examination. The authorized representative or representatives shall be identified in a
21 resolution or by written consent of the board of directors if a corporation or the managers if a
22 limited liability company;

23 (2) A fidelity insurance company upon written consent of the family trust company's
24 board of directors if a corporation or its managers if a limited liability company;

25 (3) An independent auditor upon written consent of the family trust company's board
26 of directors if a corporation or its managers if a limited liability company;

27 (4) A liquidator, receiver, or conservator if appointed. However, any portion of the
28 information that discloses the identity of a bondholder, customer, family member, member, or
29 stockholder shall be redacted by the ~~[secretary]~~ **director** before releasing such information;

30 (5) Any other state, federal, or foreign agency responsible for the regulation or
31 supervision of family trust companies;

32 (6) A law enforcement agency in the furtherance of such agency's official duties and
33 responsibilities;

34 (7) The appropriate law enforcement or prosecutorial agency for the purpose of
35 reporting any suspected criminal activity; or

36 (8) Comply with a legislative subpoena. A legislative body or committee that
37 receives records or information pursuant to such subpoena shall maintain the confidential
38 status of such records or information. However, in a case involving the investigation of
39 charges against a public official subject to impeachment or removal, records or information
40 may be disclosed to the extent necessary as determined by the legislative body or committee.

41 3. This section shall not prevent or restrict the publication of:

42 (1) A report required by federal law; or

43 (2) The name of the family trust company and the address of its registered agent.

44 4. The willful disclosure of information made confidential and exempt by this section
45 is a class E felony.

362.1116. The ~~[secretary]~~ **director** may issue forms and orders and, after notice and
2 comment, may adopt and amend rules necessary or appropriate to carry out the provisions of
3 sections 362.1010 to 362.1117 and may repeal rules and forms.

362.1117. 1. Except as otherwise provided in sections 362.1010 to 362.1117, any
2 interested person aggrieved by any order of the ~~[secretary]~~ **director** or ~~[secretary's]~~ **director's**
3 designee under any provision of sections 362.1010 to 362.1117 shall be entitled to a hearing
4 before the ~~[secretary]~~ **director** or the ~~[secretary's]~~ **director's** authorized representative in
5 accordance with the provisions of chapter 536. A cease and desist order issued by the
6 ~~[secretary]~~ **director** or ~~[secretary's]~~ **director's** designee is subject to judicial review in
7 accordance with the provisions of chapter 536 in the circuit court of Cole County.

8 2. A rule adopted under sections 362.1010 to 362.1117 is subject to judicial review in
9 accordance with the provisions of chapter 536 in the circuit court of Cole County.

376.1345. 1. As used in this section, unless the context clearly indicates otherwise,
2 terms shall have the same meaning as ascribed to them in section 376.1350.

3 2. No health carrier, nor any entity acting on behalf of a health carrier, shall restrict
4 methods of reimbursement to health care providers for health care services to a

5 reimbursement method requiring the provider to pay a fee, discount the amount of their claim
6 for reimbursement, or remit any other form of remuneration in order to redeem the amount of
7 their claim for reimbursement.

8 3. **(1)** If a health carrier [~~initiates or changes~~] **proposes to initiate or change** the
9 method used to reimburse a health care provider to a method of reimbursement that will
10 require the health care provider to pay a fee, discount the amount of its claim for
11 reimbursement, or remit any other form of remuneration to the health carrier or any entity
12 acting on behalf of the health carrier in order to redeem the amount of its claim for
13 reimbursement, **as described in subsection 2 of this section**, the health carrier or an entity
14 acting on its behalf shall **first receive approval from the health care provider before**
15 **reimbursing the health care provider with such payment method.**

16 **(2)** If a health carrier is currently reimbursing a health care provider with a
17 **payment method described in subsection 2 of this section**, the health care provider may
18 **send one notice to the health carrier for all the health care provider's patients covered**
19 **by such health carrier stating that the health care provider declines to be reimbursed**
20 **with a payment method described in subsection 2 of this section. Such notice shall**
21 **remain in effect for the duration of the contract unless the health care provider requests**
22 **otherwise in the manner described in paragraph (b) of subdivision (3) of this subsection.**
23 **All payments made by the health carrier to the health care provider after receipt of the**
24 **notice declining to be reimbursed with a payment method described in subsection 2 of**
25 **this section shall not require the health care provider to pay a fee, discount the amount**
26 **of the provider's claim for reimbursement, or remit any other form of remuneration in**
27 **order to redeem the amount of the provider's claim for reimbursement.**

28 **(3)** A health carrier that proposes to reimburse a health care provider with a
29 **payment method described in subsection 2 of this section shall:**

30 ~~[(1)]~~ **(a)** Notify such health care provider of the fee, discount, or other remuneration
31 required to receive reimbursement through the new or different reimbursement method; and

32 ~~[(2)]~~ **(b)** In such notice, provide clear instructions to the health care provider as to
33 how to select [~~an alternative~~] **the payment method described in subsection 2 of this section**,
34 and upon request **by the health care provider** such [~~alternative~~] payment method shall be
35 ~~[used]~~ **allowed** to reimburse the provider until the provider requests otherwise.

36 4. A health carrier shall allow the provider to select to be reimbursed by an electronic
37 funds transfer through the Automated Clearing House Network as required pursuant to 45
38 C.F.R. Sections 162.925, 162.1601, and 162.1602, and if the provider makes such selection,
39 the health carrier shall use such reimbursement method to reimburse the provider until the
40 provider requests otherwise.

41 5. An amount a health carrier claims was overpaid to a provider may only be
42 collected, withheld, or recouped from the provider, or third party that submitted the provider's
43 claim under the third party's provider identification number, to whom the overpaid amount
44 was originally paid. The notice of withholding or recoupment by a health carrier shall also
45 inform the provider or third party of the health care service, date of service, and patient for
46 which the recoupment is being made.

47 6. Violation of this section shall be deemed an unfair trade practice under sections
48 375.930 to 375.948.

379.1640. 1. As used in this section, the following terms shall mean:

- 2 (1) "Department", the department of commerce and insurance;
- 3 (2) "Director", the director of the department of commerce and insurance;
- 4 (3) "Limited lines self-service storage insurance producer", an owner, operator, lessor,
5 or sublessor of a self-service storage facility, or an agent or other person authorized to manage
6 the facility, duly licensed by the department of commerce and insurance;
- 7 (4) "Offer and disseminate", provide general information, including a description of
8 the coverage and price, as well as process the application, collect premiums, and perform
9 other nonlicensable activities permitted by the state;
- 10 (5) "Self-service storage insurance", insurance coverage for the loss of, or damage to,
11 tangible personal property in a self-service storage facility as defined in section 415.405 or in
12 transit during the rental period.

13 2. Notwithstanding any other provision of law:

14 (1) Individuals may offer and disseminate self-service storage insurance on behalf of
15 and under the control of a limited lines self-service storage insurance producer only if the
16 following conditions are met:

17 (a) The limited lines self-service storage insurance producer provides to purchasers of
18 self-service storage insurance:

19 a. A description of the material terms or the actual material terms of the insurance
20 coverage;

21 b. A description of the process for filing a claim;

22 c. A description of the review or cancellation process for the self-service storage
23 insurance coverage; and

24 d. The identity and contact information of the insurer and any third-party
25 administrator or supervising entity authorized to act on behalf of the insurer;

26 (b) At the time of licensure, the limited lines self-service storage insurance producer
27 shall establish and maintain a register on a form prescribed by the director of each individual
28 that offers self-service storage insurance on the limited lines self-service storage insurance
29 producer's behalf. The register shall be maintained and updated annually by the limited lines

30 self-service storage insurance producer and shall include the name, address, and contact
31 information of the limited lines self-service storage insurance producer and an officer or
32 person who directs or controls the limited lines self-service storage insurance producer's
33 operations, and the self-service storage facility's federal tax identification number. The
34 limited lines self-service storage insurance producer shall submit such register within thirty
35 days upon request by the department. The limited lines self-service storage insurance
36 producer shall also certify that each individual listed on the self-service storage register
37 complies with 18 U.S.C. Section 1033;

38 (c) The limited lines self-service storage insurance producer serves as or has
39 designated one of its employees who is a licensed individual producer as a person responsible
40 for the business entity's compliance with the self-service storage insurance laws, rules, and
41 regulations of this state;

42 (d) An individual applying for a limited lines self-service storage insurance producer
43 license shall make application to the director on the specified application and declare under
44 penalty of refusal, suspension or revocation of the license that the statements made on the
45 application are true, correct and complete to the best of the knowledge and belief of the
46 applicant. Before approving the application, the director shall find that the individual:

47 a. Is at least eighteen years of age;

48 b. Has not committed any act that is a ground for denial, suspension, or revocation set
49 forth in section 375.141;

50 c. Has paid a license fee in the sum of one hundred dollars; and

51 d. Has completed a qualified training program regarding self-service storage
52 insurance policies, which has been filed with and approved by the director;

53 (e) Individuals applying for limited lines self-service storage insurance producer
54 licenses shall be exempt from examination. The director may require any documents
55 reasonably necessary to verify the information contained in an application. Within thirty
56 working days after the change of any information submitted on the application, the self-
57 service storage insurance producer shall notify the director of the change. No fee shall be
58 charged for any such change. If the director has taken no action within twenty-five working
59 days of receipt of an application, the application shall be deemed approved and the applicant
60 may act as a licensed self-service storage insurance producer, unless the applicant has
61 indicated a conviction for a felony or a crime involving moral turpitude;

62 (f) The limited lines self-service storage insurance producer requires each employee
63 and authorized representative of the self-service storage insurance producer whose duties
64 include offering and disseminating self-service storage insurance to receive a program of
65 instruction or training provided or authorized by the insurer or supervising entity that has
66 been reviewed and approved by the director. The training material shall, at a minimum,

67 contain instructions on the types of insurance offered, ethical sales practices, and required
68 disclosures to prospective customers;

69 (2) Any individual offering or disseminating self-service storage insurance shall
70 provide to prospective purchasers brochures or other written materials that:

71 (a) Provide the identity and contact information of the insurer and any third-party
72 administrator or supervising entity authorized to act on behalf of the insurer;

73 (b) Explain that the purchase of self-service storage insurance is not required in order
74 to lease self-storage units;

75 (c) Explain that an unlicensed self-service storage operator is permitted to provide
76 general information about the insurance offered by the self-service storage operator, including
77 a description of the coverage and price, but is not qualified or authorized to answer technical
78 questions about the terms and conditions of the insurance offered by the self-service storage
79 operator or to evaluate the adequacy of the customer's existing insurance coverage; and

80 (d) Disclose that self-service storage insurance may provide duplication of coverage
81 already provided by an occupant's, homeowner's, renter's, or other source of coverage;

82 (3) A limited lines self-service storage producer's employee or authorized
83 representative, who is not licensed as an insurance producer, may not:

84 (a) Evaluate or interpret the technical terms, benefits, and conditions of the offered
85 self-service storage insurance coverage;

86 (b) Evaluate or provide advice concerning a prospective purchaser's existing
87 insurance coverage; or

88 (c) Hold themselves or itself out as a licensed insurer, licensed producer, or insurance
89 expert;

90 (4) If self-service storage insurance is offered to the customer, premium or other
91 charges specifically applicable to self-service storage insurance shall be listed as a separate
92 amount and apart from other charges relating to the lease and/or procurement of a self-service
93 storage unit on all documentation pertinent to the transaction.

94 3. Notwithstanding any other provision of law, a limited lines self-service storage
95 insurance provider whose insurance-related activities, and those of its employees and
96 authorized representatives, are limited to offering and disseminating self-service storage
97 insurance on behalf of and under the direction of a limited lines self-service storage insurance
98 producer meeting the conditions stated in this section is authorized to do so and receive
99 related compensation, upon registration by the limited lines self-service storage insurance
100 producer as described in paragraph (b) of subdivision (1) of subsection 2 of this section.

101 4. Self-service storage insurance may be provided under an individual policy or under
102 a group or master policy.

103 5. Limited lines self-service storage insurance producers, operators, employees and
104 authorized representatives offering and disseminating self-service storage insurance under the
105 limited lines self-service storage insurance producer license shall be subject to the provisions
106 of chapters 374 and 375, except as provided for in this section.

107 6. Limited lines self-service storage insurance producers, operators, employees and
108 authorized representatives may offer and disseminate self-service storage insurance policies
109 in an amount not to exceed [~~five~~] **fifteen** thousand dollars of coverage per customer per
110 storage unit.

111 7. The director may promulgate rules to effectuate this section. Any rule or portion of
112 a rule, as that term is defined in section 536.010, that is created under the authority delegated
113 in this section shall become effective only if it complies with and is subject to all of the
114 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536
115 are nonseverable and if any of the powers vested with the general assembly pursuant to
116 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
117 subsequently held unconstitutional, then the grant of rulemaking authority and any rule
118 proposed or adopted after August 28, 2016, shall be invalid and void.

 400.1-201. (a) Unless the context otherwise requires, words or phrases defined in this
2 section, or in the additional definitions contained in other articles of this chapter that apply to
3 particular articles or parts thereof, have the meanings stated.

4 (b) Subject to definitions contained in other articles of this chapter that apply to
5 particular articles or parts thereof:

6 (1) "Action", in the sense of a judicial proceeding, includes recoupment,
7 counterclaim, set-off, suit in equity, and any other proceeding in which rights are determined.

8 (2) "Aggrieved party" means a party entitled to pursue a remedy.

9 (3) "Agreement", as distinguished from "contract", means the bargain of the parties in
10 fact, as found in their language or inferred from other circumstances, including course of
11 performance, course of dealing, or usage of trade as provided in section 400.1-303.

12 (4) "Bank" means a person engaged in the business of banking and includes a savings
13 bank, savings and loan association, credit union, and trust company.

14 (5) "Bearer" means a person in possession of a negotiable instrument, document of
15 title, or certificated security that is payable to bearer or indorsed in blank.

16 (6) "Bill of lading" means a document evidencing the receipt of goods for shipment
17 issued by a person engaged in the business of transporting or forwarding goods.

18 (7) "Branch" includes a separately incorporated foreign branch of a bank.

19 (8) "Burden of establishing" a fact means the burden of persuading the trier of fact
20 that the existence of the fact is more probable than its nonexistence.

21 (9) "Buyer in ordinary course of business" means a person that buys goods in good
22 faith, without knowledge that the sale violates the rights of another person in the goods, and
23 in the ordinary course from a person, other than a pawnbroker, in the business of selling
24 goods of that kind. A person buys goods in the ordinary course if the sale to the person
25 comports with the usual or customary practices in the kind of business in which the seller is
26 engaged or with the seller's own usual or customary practices. A person that sells oil, gas, or
27 other minerals at the wellhead or minehead is a person in the business of selling goods of that
28 kind. A buyer in ordinary course of business may buy for cash, by exchange of other
29 property, or on secured or unsecured credit, and may acquire goods or documents of title
30 under a preexisting contract for sale. Only a buyer that takes possession of the goods or has a
31 right to recover the goods from the seller under article 2 may be a buyer in ordinary course of
32 business. "Buyer in ordinary course of business" does not include a person that acquires
33 goods in a transfer in bulk or as security for or in total or partial satisfaction of a money debt.

34 (10) **"Central bank digital currency" means a digital currency, a digital medium**
35 **of exchange, or a digital monetary unit of account issued by the United States Federal**
36 **Reserve System, a federal agency, a foreign government, a foreign central bank, or a**
37 **foreign reserve system, that is made directly available to a consumer by such entities.**
38 **The term includes a digital currency, a digital medium of exchange, or a digital**
39 **monetary unit of account issued by the United States Federal Reserve System, a federal**
40 **agency, a foreign government, a foreign central bank, or a foreign reserve system, that is**
41 **processed or validated directly by such entities.**

42 (11) "Conspicuous", with reference to a term, means so written, displayed, or
43 presented that a reasonable person against which it is to operate ought to have noticed it.
44 Whether a term is "conspicuous" or not is a decision for the court. Conspicuous terms include
45 the following:

46 (A) a heading in capitals equal to or greater in size than the surrounding text, or in
47 contrasting type, font, or color to the surrounding text of the same or lesser size; and

48 (B) language in the body of a record or display in larger type than the surrounding
49 text, or in contrasting type, font, or color to the surrounding text of the same size, or set off
50 from surrounding text of the same size by symbols or other marks that call attention to the
51 language.

52 [(11)] (12) "Consumer" means an individual who enters into a transaction primarily
53 for personal, family, or household purposes.

54 [(12)] (13) "Contract", as distinguished from "agreement", means the total legal
55 obligation that results from the parties' agreement as determined by this chapter as
56 supplemented by any other applicable laws.

57 ~~[(13)]~~ **(14)** "Creditor" includes a general creditor, a secured creditor, a lien creditor,
58 and any representative of creditors, including an assignee for the benefit of creditors, a trustee
59 in bankruptcy, a receiver in equity, and an executor or administrator of an insolvent debtor's or
60 assignor's estate.

61 ~~[(14)]~~ **(15)** "Defendant" includes a person in the position of defendant in a
62 counterclaim, cross-claim, or third-party claim.

63 ~~[(15)]~~ **(16)** "Delivery", with respect to an instrument, document of title, or chattel
64 paper, means voluntary transfer of possession.

65 ~~[(16)]~~ **(17)** "Document of title" includes bill of lading, dock warrant, dock receipt,
66 warehouse receipt or order for the delivery of goods, and also any other document which in
67 the regular course of business or financing is treated as adequately evidencing that the person
68 in possession of it is entitled to receive, hold, and dispose of the document and the goods it
69 covers. To be a document of title, a document shall purport to be issued by or addressed to a
70 bailee and purport to cover goods in the bailee's possession which are either identified or are
71 fungible portions of an identified mass.

72 ~~[(17)]~~ **(18)** "Fault" means a default, breach, or wrongful act or omission.

73 ~~[(18)]~~ **(19)** "Fungible goods" means:

74 (A) goods of which any unit, by nature or usage of trade, is the equivalent of any
75 other like unit; or

76 (B) goods that by agreement are treated as equivalent.

77 ~~[(19)]~~ **(20)** "Genuine" means free of forgery or counterfeiting.

78 ~~[(20)]~~ **(21)** "Good faith", except as otherwise provided in article 5, means honesty in
79 fact and the observance of reasonable commercial standards of fair dealing.

80 ~~[(21)]~~ **(22)** "Holder" means:

81 (A) the person in possession of a negotiable instrument that is payable either to bearer
82 or to an identified person that is the person in possession; or

83 (B) the person in possession of a document of title if the goods are deliverable either
84 to bearer or to the order of the person in possession.

85 ~~[(22)]~~ **(23)** "Insolvency proceeding" includes an assignment for the benefit of
86 creditors or other proceeding intended to liquidate or rehabilitate the estate of the person
87 involved.

88 ~~[(23)]~~ **(24)** "Insolvent" means:

89 (A) having generally ceased to pay debts in the ordinary course of business other than
90 as a result of bona fide dispute;

91 (B) being unable to pay debts as they become due; or

92 (C) being insolvent within the meaning of federal bankruptcy law.

93 ~~[(24)]~~ **(25)** "Money" means a medium of exchange currently authorized or adopted by
94 a domestic or foreign government. The term includes a monetary unit of account established
95 by an intergovernmental organization or by agreement between two or more countries. **The**
96 **term does not include a central bank digital currency.**

97 ~~[(25)]~~ **(26)** "Organization" means a person other than an individual.

98 ~~[(26)]~~ **(27)** "Party", as distinguished from "third party", means a person that has
99 engaged in a transaction or made an agreement subject to this chapter.

100 ~~[(27)]~~ **(28)** "Person" means an individual, corporation, business trust, estate, trust,
101 partnership, limited liability company, association, joint venture, government, governmental
102 subdivision, agency, or instrumentality, public corporation, or any other legal or commercial
103 entity.

104 ~~[(28)]~~ **(29)** "Present value" means the amount as of a date certain of one or more sums
105 payable in the future, discounted to the date certain by use of either an interest rate specified
106 by the parties if that rate is not manifestly unreasonable at the time the transaction is entered
107 into or, if an interest rate is not so specified, a commercially reasonable rate that takes into
108 account the facts and circumstances at the time the transaction is entered into.

109 ~~[(29)]~~ **(30)** "Purchase" means taking by sale, lease, discount, negotiation, mortgage,
110 pledge, lien, security interest, issue or reissue, gift, or any other voluntary transaction creating
111 an interest in property.

112 ~~[(30)]~~ **(31)** "Purchaser" means a person that takes by purchase.

113 ~~[(31)]~~ **(32)** "Record" means information that is inscribed on a tangible medium or that
114 is stored in an electronic or other medium and is retrievable in perceivable form.

115 ~~[(32)]~~ **(33)** "Remedy" means any remedial right to which an aggrieved party is
116 entitled with or without resort to a tribunal.

117 ~~[(33)]~~ **(34)** "Representative" means a person empowered to act for another, including
118 an agent, an officer of a corporation or association, and a trustee, executor, or administrator of
119 an estate.

120 ~~[(34)]~~ **(35)** "Right" includes remedy.

121 ~~[(35)]~~ **(36)** "Security interest" means an interest in personal property or fixtures which
122 secures payment or performance of an obligation. "Security interest" includes any interest of
123 a consignor and a buyer of accounts, chattel paper, a payment intangible, or a promissory note
124 in a transaction that is subject to article 9. "Security interest" does not include the special
125 property interest of a buyer of goods on identification of those goods to a contract for sale
126 under section 400.2-401, but a buyer may also acquire a "security interest" by complying with
127 article 9. Except as otherwise provided in section 400.2-505, the right of a seller or lessor of
128 goods under article 2 or 2A to retain or acquire possession of the goods is not a "security
129 interest", but a seller or lessor may also acquire a "security interest" by complying with article

130 9. The retention or reservation of title by a seller of goods notwithstanding shipment or
 131 delivery to the buyer under section 400.2-401 is limited in effect to a reservation of a
 132 "security interest". Whether a transaction in the form of a lease creates a "security interest" is
 133 determined pursuant to section 400.1-203.

134 ~~[(36)]~~ **(37)** "Send" in connection with a writing, record, or notice means:

135 (A) to deposit in the mail or deliver for transmission by any other usual means of
 136 communication with postage or cost of transmission provided for and properly addressed and,
 137 in the case of an instrument, to an address specified thereon or otherwise agreed, or if there be
 138 none to any address reasonable under the circumstances; or

139 (B) in any other way to cause to be received any record or notice within the time it
 140 would have arrived if properly sent.

141 ~~[(37)]~~ **(38)** "Signed" includes using any symbol executed or adopted with present
 142 intention to adopt or accept a writing.

143 ~~[(38)]~~ **(39)** "State" means a State of the United States, the District of Columbia,
 144 Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to
 145 the jurisdiction of the United States.

146 ~~[(39)]~~ **(40)** "Surety" includes a guarantor or other secondary obligor.

147 ~~[(40)]~~ **(41)** "Term" means a portion of an agreement that relates to a particular matter.

148 ~~[(41)]~~ **(42)** "Unauthorized signature" means a signature made without actual, implied,
 149 or apparent authority. The term includes a forgery.

150 ~~[(42)]~~ **(43)** "Warehouse receipt" means a receipt issued by a person engaged in the
 151 business of storing goods for hire.

152 ~~[(43)]~~ **(44)** "Writing" includes printing, typewriting, or any other intentional reduction
 153 to tangible form. "Written" has a corresponding meaning.

400.4A-106. (a) The time of receipt of a payment order or communication cancelling
 2 or amending a payment order is determined by the rules applicable to receipt of a notice stated
 3 in ~~[section 400.1-201(27)]~~ **subdivision (28) of subsection (b) of section 400.1-201**. A
 4 receiving bank may fix a cut-off time or times on a funds-transfer business day for the receipt
 5 and processing of payment orders and communications cancelling or amending payment
 6 orders. Different cut-off times may apply to payment orders, cancellations, or amendments,
 7 or to different categories of payment orders, cancellations, or amendments. A cut-off time
 8 may apply to senders generally or different cut-off times may apply to different senders or
 9 categories of payment orders. If a payment order or communication cancelling or amending a
 10 payment order is received after the close of a funds-transfer business day or after the
 11 appropriate cut-off time on a funds-transfer business day, the receiving bank may treat the
 12 payment order or communication as received at the opening of the next funds-transfer
 13 business day.

14 (b) If this Article refers to an execution date or payment date or states a day on which
15 a receiving bank is required to take action, and the date or day does not fall on a funds-
16 transfer business day, the next day that is a funds-transfer business day is treated as the date or
17 day stated, unless the contrary is stated in this Article.

400.7-102. (a) In this article, unless the context otherwise requires:

2 (1) "Bailee" means a person that by a warehouse receipt, bill of lading, or other
3 document of title acknowledges possession of goods and contracts to deliver them.

4 (2) "Carrier" means a person that issues a bill of lading.

5 (3) "Consignee" means a person named in a bill of lading to which or to whose order
6 the bill promises delivery.

7 (4) "Consignor" means a person named in a bill of lading as the person from which
8 the goods have been received for shipment.

9 (5) "Delivery order" means a record that contains an order to deliver goods directed to
10 a warehouse, carrier, or other person that in the ordinary course of business issues warehouse
11 receipts or bills of lading.

12 (6) "Good faith" has the same meaning as in subdivision [~~20~~] (21) of subsection (b)
13 of section 400.1-201.

14 (7) "Goods" means all things that are treated as movable for the purposes of a contract
15 for storage or transportation.

16 (8) "Issuer" means a bailee that issues a document of title or, in the case of an
17 unaccepted delivery order, the person that orders the possessor of goods to deliver. The term
18 includes a person for which an agent or employee purports to act in issuing a document if the
19 agent or employee has real or apparent authority to issue documents, even if the issuer did not
20 receive any goods, the goods were misdescribed, or in any other respect the agent or
21 employee violated the issuer's instructions.

22 (9) "Person entitled under the document" means the holder, in the case of a negotiable
23 document of title, or the person to which delivery of the goods is to be made by the terms of,
24 or pursuant to instructions in a record under, a nonnegotiable document of title.

25 (10) "Record" has the same meaning as in subdivision [~~31~~] (32) of subsection (b) of
26 section 400.1-201.

27 (11) "Sign" means, with present intent to authenticate or adopt a record:

28 (A) to execute or adopt a tangible symbol; or

29 (B) to attach to or logically associate with the record an electronic sound, symbol, or
30 process.

31 (12) "Shipper" means a person that enters into a contract of transportation with a
32 carrier.

33 (13) "Warehouse" means a person engaged in the business of storing goods for hire.

34 (b) Definitions in other articles applying to this article and the sections in which they
35 appear are:

36 (1) "Contract for sale", section 400.2-106.

37 (2) "Lessee in the ordinary course of business", section 400.2A-103.

38 (3) "Receipt" of goods, section 400.2-103.

39 (c) In addition, article 1 contains general definitions and principles of construction
40 and interpretation applicable throughout this article.

407.661. As used in sections 407.660 to 407.665 the following terms shall mean:

2 (1) "Advertisement", the attempt by publication, dissemination, solicitation,
3 circulation, or any other means to induce, directly or indirectly, any person to enter into
4 any obligation or acquire any title or interest in any merchandise, or any commercial message
5 in any medium that directly or indirectly promotes or assists a rental-purchase agreement;

6 (2) "Cash price", the price for which the merchant would have sold the merchandise
7 to the consumer for cash on the date of the rental-purchase agreement;

8 (3) "Consumer", an individual who leases personal property under a rental-purchase
9 agreement;

10 (4) "Merchandise", the personal property that is the subject of a rental-purchase
11 agreement;

12 (5) "Merchant", a person who, in the ordinary course of business, regularly leases,
13 offers to lease, or arranges for the leasing of merchandise under a rental-purchase agreement;

14 (6) "Rental-purchase agreement", an agreement between a merchant and a consumer
15 for the use of merchandise by the consumer for personal, family, or household purposes, for
16 an initial period of four months or less that is automatically renewable with each payment
17 after the initial period, and that permits the consumer to become the owner of the
18 merchandise. A rental-purchase agreement shall not be construed to be nor be governed by
19 any of the following:

20 (a) A lease or agreement which constitutes a credit sale as defined in 12 CFR 226.2(a)
21 (16) and section 1602(g) of the Truth-in-Lending Act, 15 U.S.C. 1601 et seq.;

22 (b) A lease which constitutes a consumer lease as defined in 12 CFR 213.2(a)(6);

23 (c) Any lease for agricultural, business, or commercial purposes;

24 (d) Any lease made to an organization;

25 (e) A lease or agreement which constitutes a retail time contract or retail time
26 transaction as defined in subdivisions (14) and (15) of section 408.250;

27 (f) A security interest as defined in subdivision [~~35~~] **(36) of subsection (b) of**
28 section 400.1-201; or

29 (g) A home solicitation sale as that term is defined in section 407.700;

30 (7) "Period", a day, week, month, or other subdivision of a year.

407.738. 1. Any one or more of the following persons who suffers any damage proximately resulting from one or more acts of unlawful motor vehicle subleasing, as described in section 407.742 may bring an action in the circuit court in the county in which the defendant resides, has his principal place of business, or where an act of unlawful motor vehicle subleasing occurred against the person who has engaged in those acts:

(1) A seller or other secured party under a conditional sale contract or a security agreement;

(2) A lender under a direct loan agreement;

(3) A lessor under a lease contract;

(4) A buyer under a conditional sale contract;

(5) A purchaser under a direct loan agreement, an agreement which provides for a security interest, or an agreement which is equivalent to these types of agreements;

(6) A lessee under a lease contract;

(7) An actual or purported transferee or assignee of any right or interest of a buyer, a purchaser, or a lessee.

2. The circuit court in an action under subsection 1 of this section may award, in its discretion, actual damages; punitive damages; reasonable attorney's fees and costs to the prevailing party; equitable relief, including, but not limited to, an injunction and restitution of money and property; and any other equitable relief which the court deems proper.

3. As used in sections 407.738 to 407.745, the following terms have the following meanings:

(1) "Buyer" has the meaning set forth in subdivision (9) of section 365.010;

(2) "Conditional sale contract" means:

(a) Any contract for the sale of a motor vehicle between a buyer and a seller, with or without accessories, under which possession is delivered to the buyer but the title vests in the buyer thereafter only upon the payment of all or part of the price, or upon the performance of any other condition; or

(b) Any contract for the bailment or leasing of a motor vehicle between a buyer and a seller, with or without accessories, by which the bailee or lessee agrees to pay as compensation for use a sum substantially equivalent to or in excess of the aggregate value of the vehicle and its accessories, if any, at the time the contract is executed, and by which it is agreed that the bailee or lessee will become, or for no other consideration or for a nominal consideration has the option of becoming, the owner of the vehicle upon full compliance with the terms of the contract; or

(c) Any contract for the sale of a motor vehicle between a buyer and a seller, with or without accessories, under which possession is delivered to the buyer, and a lien on the

37 property is to vest in the seller as security for the payment of part or all of the price, or for the
38 performance of any other condition;

39 (d) Conditional sale contract includes any contract for the sale or bailment of a motor
40 vehicle between a buyer and a seller primarily for business or commercial purposes;

41 (3) "Direct loan agreement" means an agreement between a lender and a purchaser
42 whereby the lender has advanced funds pursuant to a loan secured by the motor vehicle which
43 the purchaser has purchased;

44 (4) "Lease contract" means a lease contract between a lessor or bailor and a lessee or
45 bailee including a lease for business or commercial purposes;

46 (5) "Motor vehicle" means any vehicle required to be registered pursuant to chapter
47 301;

48 (6) "Person" has the meaning set forth in subdivision (5) of section 407.010;

49 (7) "Purchaser", has the meaning set forth in subdivision (30) of section 400.1-201;

50 (8) "Security agreement" and "secured party" have the meanings set forth,
51 respectively, in paragraphs (h) and (i) of subdivision (1) of section 400.9-105. "Security
52 interest" has the meaning set forth in subdivision [~~35~~] **(36) of subsection (b)** of section
53 400.1-201;

54 (9) "Seller" has the meaning set forth in subdivision (12) of section 365.020 and
55 includes the present holder of the conditional sale contract.

56 4. The rights and remedies provided in sections 407.738 to 407.745 are in addition to
57 any other rights and remedies provided by law.

407.830. It shall be a defense for a motor vehicle franchisor, to any action brought
2 under sections 407.810 to 407.835 by a motor vehicle franchisee, if it be shown that such
3 motor vehicle franchisee has failed to substantially comply with reasonable and lawful
4 requirements imposed by the franchise and other agreements ancillary or collateral thereto, or
5 if the motor vehicle franchisee, or any of its officers, have been convicted of a felony relevant
6 to business honesty or business practices, or if the motor vehicle franchisee has ceased
7 conducting its business or has abandoned the franchise, or is insolvent as that term is defined
8 in subdivision [~~23~~] **(24) of subsection (b)** of section 400.1-201, or has filed a voluntary
9 petition in bankruptcy, or has made an assignment for benefit of creditors, or has been the
10 subject of an involuntary proceeding under the federal bankruptcy act or under any state
11 insolvency law which is not vacated within twenty days from the institution thereof, or there
12 has been an appointment of a receiver or other officer having similar powers for the motor
13 vehicle franchisee or the motor vehicle franchisee's business who is not removed within
14 twenty days from his appointment, or there has been a levy under attachment, execution or
15 similar process which is not within ten days vacated or removed by payment or bonding, and
16 it shall be a defense to any action brought under sections 407.810 to 407.835 that the

17 complained of conduct by a motor vehicle franchisor was undertaken in good faith in pursuit
18 of rights or remedies accorded to a motor vehicle franchisor as a seller of goods or a holder of
19 a security interest under the provisions of chapter 400.

407.1043. It shall be a defense for a motorcycle or all-terrain vehicle franchisor, to
2 any action brought pursuant to sections 407.1025 to 407.1049 by a motorcycle or all-terrain
3 vehicle franchisee, if it is shown that such motorcycle or all-terrain vehicle franchisee has
4 failed to substantially comply with reasonable and lawful requirements imposed by the
5 franchise and other agreements ancillary or collateral thereto, or if the motorcycle or all-
6 terrain vehicle franchisee, or any of its officers, have been convicted of a felony relevant to
7 business honesty or business practices, or if the motorcycle or all-terrain vehicle franchisee
8 has ceased conducting its business or has abandoned the franchise, or is insolvent as that term
9 is defined in subdivision [~~23~~] **(24) of subsection (b)** of section 400.1-201, or has filed a
10 voluntary petition in bankruptcy, or has made an assignment for benefit of creditors, or has
11 been the subject of an involuntary proceeding under the Federal Bankruptcy Act or under any
12 state insolvency law which is not vacated within twenty days from the institution thereof, or
13 there has been an appointment of a receiver or other officer having similar powers for the
14 motorcycle or all-terrain vehicle franchisee or the motorcycle or all-terrain vehicle
15 franchisee's business who is not removed within twenty days from the person's
16 appointment, or there has been a levy under attachment, execution or similar process
17 which is not within ten days vacated or removed by payment or bonding, and it shall be a
18 defense to any action brought pursuant to sections 407.1025 to 407.1049 that the complained
19 of conduct by a motorcycle or all-terrain vehicle franchisor was undertaken in good faith in
20 pursuit of rights or remedies accorded to a motorcycle or all-terrain vehicle franchisor as a
21 seller of goods or a holder of a security interest pursuant to the provisions of chapter 400.

408.010. **1.** The silver coins of the United States are hereby declared a legal tender, at
2 their par value, fixed by the laws of the United States, and shall be receivable in payment of
3 all debts, public or private, hereafter contracted in the state of Missouri; provided, however,
4 that no person shall have the right to pay, upon any one debt, dimes and half dimes to an
5 amount exceeding ten dollars, or of twenty and twenty-five cent pieces exceeding twenty
6 dollars.

7 **2. Subsections 2 to 5 of this section shall be known and may be cited as the**
8 **"Constitutional Money Act".**

9 **3. For purposes of this section, the following terms mean:**

10 **(1) "Bullion", refined gold or silver, in any shape or form, with uniform content**
11 **and purity; including, but not limited to, coins, rounds, bars, ingots, and any other**
12 **products; that is:**

13 **(a) Stamped or imprinted with the weight and purity of the gold or silver that it**
14 **contains; and**

15 **(b) Valued primarily based on its gold or silver content and not on its form and**
16 **function;**

17 **(2) "Legal tender", a recognized medium of exchange for the payment of debts,**
18 **public charges, taxes, or dues that is:**

19 **(a) Authorized by the United States Congress under Article I, Section 8 of the**
20 **Constitution of the United States; or**

21 **(b) Authorized by Missouri law under Article I, Section 10 of the Constitution of**
22 **the United States;**

23 **(3) "Specie", bullion fabricated into products of uniform shape, size, design,**
24 **content, weight, and purity that are suitable for or customarily used as currency, as a**
25 **medium of exchange, or as the medium for purchase, sale, storage, transfer, or delivery**
26 **of gold or silver in retail or wholesale transactions;**

27 **(4) "Specie legal tender", includes any of the following:**

28 **(a) Specie coin issued by the federal government at any time; and**

29 **(b) Any other specie.**

30 **4. Under no circumstance shall the state of Missouri or any department, agency,**
31 **court, political subdivision, or instrumentality thereof:**

32 **(1) Seize from any person any specie legal tender that is owned by such person,**
33 **except as otherwise provided in section 513.607. Any person whose specie legal tender is**
34 **seized in violation of this subdivision shall have a cause of action in a court of competent**
35 **jurisdiction, with any successful action resulting in the award of attorney's fees;**

36 **(2) Enforce or attempt to enforce any federal acts, laws, executive orders,**
37 **administrative orders, rules, regulations, statutes, or ordinances infringing on the right**
38 **of a person to keep and use specie legal tender as provided in this section;**

39 **(3) Restrict in any way the ability of a person to acquire specie legal tender or**
40 **use specie legal tender in transactions; or**

41 **(4) Enact any law discriminating or favoring one means of legal tender in the**
42 **course of a transaction over another means of legal tender.**

43 **5. Any gain or loss recognized from the sale or exchange of gold or silver shall be**
44 **treated in accordance with the provisions of the Internal Revenue Code of 1986, as**
45 **amended, or any successor statute on any purchase after January 1, 2026, and held less**
46 **than one year. The state shall not impose any additional tax, fee, or penalty on**
47 **transactions involving the use of gold or silver as legal tender, beyond those applicable to**
48 **transactions conducted using fiat currency.**

408.035. Notwithstanding the provisions of any other law to the contrary, it is lawful
2 for the parties to agree in writing to any rate of interest, fees, and other terms and conditions
3 in connection with any:

4 (1) Loan to a corporation, general partnership, limited partnership or limited liability
5 company;

6 (2) Extension of credit primarily for agricultural, business, or commercial purposes;

7 (3) Real estate loan, other than residential real estate loans [~~and loans of less than five~~
8 ~~thousand dollars secured by real estate used for an agricultural activity~~]; or

9 (4) Loan of five thousand dollars or more secured solely by certificates of stock,
10 bonds, bills of exchange, certificates of deposit, warehouse receipts, or bills of lading pledged
11 as collateral for the repayment of such loans.

408.140. 1. No further or other charge or amount whatsoever shall be directly or
2 indirectly charged, contracted for or received for interest, service charges or other fees as an
3 incident to any such extension of credit except as provided and regulated by sections 367.100
4 to 367.200 and except:

5 (1) On loans for thirty days or longer which are other than "open-end credit" as such
6 term is defined in the federal Consumer Credit Protection Act and regulations thereunder, a
7 fee, not to exceed ten percent of the principal amount loaned not to exceed one hundred
8 dollars may be charged by the lender; however, no such fee shall be permitted on any
9 extension, refinance, restructure or renewal of any such loan, unless any investigation is made
10 on the application to extend, refinance, restructure or renew the loan;

11 (2) The lawful fees actually and necessarily paid out by the lender to any public
12 officer for filing, recording, or releasing in any public office any instrument securing the loan,
13 and reasonable and bona fide third-party fees incurred for remote or electronic filing, which
14 fees may be collected when the loan is made or at any time thereafter; however, premiums for
15 insurance in lieu of perfecting a security interest required by the lender may be charged if the
16 premium does not exceed the fees which would otherwise be payable;

17 (3) If the contract so provides, a charge for late payment on each installment or
18 minimum payment in default for a period of not less than fifteen days in an amount not to
19 exceed five percent of each installment due or the minimum payment due or fifteen dollars,
20 whichever is greater, not to exceed fifty dollars. If the contract so provides, a charge for late
21 payment on each twenty-five dollars or less installment in default for a period of not less than
22 fifteen days shall not exceed five dollars;

23 (4) If the contract so provides, a charge for late payment for a single payment note in
24 default for a period of not less than fifteen days in an amount not to exceed five percent of the
25 payment due; provided that, the late charge for a single payment note shall not exceed fifty
26 dollars;

27 (5) Charges or premiums for insurance written in connection with any loan against
28 loss of or damage to property or against liability arising out of ownership or use of property as
29 provided in section 367.170; however, notwithstanding any other provision of law, with the
30 consent of the borrower, such insurance may cover property all or part of which is pledged as
31 security for the loan, and charges or premiums for insurance providing life, health, accident,
32 or involuntary unemployment coverage;

33 (6) Reasonable towing costs and expenses of retaking, holding, preparing for sale,
34 and selling any personal property in accordance with the uniform commercial code - secured
35 transactions, sections 400.9-101 to 400.9-809;

36 (7) A reasonable service fee not to exceed the amount permitted under subdivision (2)
37 of subsection 6 of section 570.120 for any check, draft, order, or like instrument that is
38 returned unpaid by a financial institution, plus an amount equal to the actual fees charged by
39 the financial institution for each check, draft, order, or like instrument returned unpaid;

40 (8) If the contract or promissory note, signed by the borrower, provides for attorney
41 fees, and if it is necessary to bring suit, such attorney fees may not exceed fifteen percent of
42 the amount due and payable under such contract or promissory note, together with any court
43 costs assessed. The attorney fees shall only be applicable where the contract or promissory
44 note is referred for collection to an attorney, and is not handled by a salaried employee of the
45 holder of the contract;

46 (9) If the open-end credit contract is tied to a transaction account in a depository
47 institution, such account is in the institution's assets and such contract provides for loans of
48 thirty-one days or longer which are "open-end credit", as such term is defined in the federal
49 Consumer Credit Protection Act and regulations thereunder, the creditor may charge a credit
50 advance fee of up to the lesser of seventy-five dollars or ten percent of the credit advanced
51 from time to time from the line of credit; such credit advance fee may be added to the open-
52 end credit outstanding along with any interest, and shall not be considered the unlawful
53 compounding of interest as specified under section 408.120;

54 (10) A deficiency waiver addendum, guaranteed asset protection, or a similar product
55 purchased as part of a loan transaction with collateral and at the borrower's consent, provided
56 the cost of the product is disclosed in the loan contract, is reasonable, and the requirements of
57 section 408.380 are met;

58 (11) A convenience fee for payments using an alternative payment channel that
59 accepts a debit or credit card not present transaction, nonface-to-face payment, provided that:

60 (a) The person making the payment is notified of the convenience fee; and

61 (b) The fee is fixed or flat, except that the fee may vary based upon method of
62 payment used; **and**

63 **(12) A charge equal to the cost of the credit report.**

64 2. Other provisions of law to the contrary notwithstanding, an open-end credit
65 contract under which a credit card is issued by a company, financial institution, savings and
66 loan or other credit issuing company whose credit card operations are located in Missouri
67 may charge an annual fee, provided that no finance charge shall be assessed on new purchases
68 other than cash advances if such purchases are paid for within twenty-five days of the date of
69 the periodic statement therefor.

70 3. Notwithstanding any other provision of law to the contrary, in addition to charges
71 allowed pursuant to section 408.100, an open-end credit contract provided by a company,
72 financial institution, savings and loan or other credit issuing company which is regulated
73 pursuant to this chapter may charge an annual fee not to exceed fifty dollars.

415.415. 1. The operator of a self-service storage facility has a lien on all personal
2 property stored within each leased space for rent, labor, or other charges, and for expenses
3 reasonably incurred in sale of such personal property, as provided in sections 415.400 to
4 415.425. The lien established by this subsection shall have priority over all other liens except
5 those liens that have been perfected and recorded on personal property. The rental agreement
6 shall contain a statement, in bold type, advising the occupant of the existence of such lien and
7 that property stored in the leased space may be sold to satisfy such lien if the occupant is in
8 default, and that any proceeds from the sale of the property which remain after satisfaction of
9 the lien will be paid to the state treasurer if unclaimed by the occupant within one year after
10 the sale of the property.

11 2. If the occupant is in default for a period of more than forty-five days, the operator
12 may enforce the lien granted in subsection 1 of this section and sell the property stored in the
13 leased space for cash. Sale of the property stored on the premises may be done at a public or
14 private sale, may be done as a unit or in parcels, or may be by way of one or more contracts,
15 and may be at any time or place and on any terms as long as the sale is done in a
16 commercially reasonable manner in accordance with the provisions of section 400.9-627.
17 The operator may otherwise dispose of any property which has no commercial value.

18 3. The proceeds of any sale made under this subsection shall be applied to satisfy the
19 lien, with any surplus being held for delivery on demand to the occupant or any other
20 lienholders which the operator knows of or which are contained in the statement filed by the
21 occupant pursuant to subsection 3 of section 415.410 for a period of one year after receipt of
22 proceeds of the sale and satisfaction of the lien. No proceeds shall be paid to an occupant
23 until such occupant files a sworn affidavit with the operator stating that there are no other
24 valid liens outstanding against the property sold and that he or she, the occupant, shall
25 indemnify the operator for any damages incurred or moneys paid by the operator due to
26 claims arising from other lienholders of the property sold. After the one-year period set in
27 this subsection, any proceeds remaining after satisfaction of the lien shall be considered

28 abandoned property to be reported and paid to the state treasurer in accordance with laws
29 pertaining to the disposition of unclaimed property.

30 4. Before conducting a sale under subsection 2 of this section, the operator shall:

31 (1) At least forty-five days before any disposition of property under this section,
32 which shall run concurrently with subsection 2 of this section, notify the occupant and each
33 lienholder which is contained in any statement filed by the occupant pursuant to subsection 3
34 of section 415.410 of the default by first-class mail or electronic mail at the occupant's or
35 lienholder's last known address, and shall notify any third-party owner identified by the
36 occupant pursuant to subsection 3 of section 415.410;

37 (2) No sooner than ten days after mailing the notice required in subdivision (1) of this
38 subsection, mail a second notice of default, by verified mail or electronic mail, to the
39 occupant at the occupant's or lienholder's last known address, which notice shall include:

40 (a) A statement that the contents of the occupant's leased space are subject to the
41 operator's lien;

42 (b) A statement of the operator's claim, indicating the charges due on the date of the
43 notice, the amount of any additional charges which shall become due before the date of
44 release for sale and the date those additional charges shall become due;

45 (c) A demand for payment of the charges due within a specified time, not less than ten
46 days after the date on which the second notice was mailed;

47 (d) A statement that unless the claim is paid within the time stated, the contents of the
48 occupant's space will be sold after a specified time; and

49 (e) The name, street address and telephone number of the operator, or a designated
50 agent whom the occupant may contact, to respond to the notice;

51 (3) At least seven days before the sale, advertise the time, place, and terms of the sale
52 in **the classified section of** a newspaper of general circulation in the jurisdiction where the
53 sale is to be held **or in any other commercially reasonable manner.** ~~[Such]~~ **The manner of**
54 advertisement shall be ~~[in the classified section of the newspaper and shall state that the items~~
55 ~~will be released for sale]~~ **deemed commercially reasonable if at least three independent**
56 **bidders attend or view the sale at the time and place advertised.**

57 5. If the property is a vehicle, watercraft, or trailer and rent and other charges remain
58 unpaid for sixty days, the owner may treat the vehicle, watercraft, or trailer as an abandoned
59 vehicle and have the vehicle, watercraft, or trailer towed from the self-service storage facility.
60 When the vehicle, watercraft, or trailer is towed from the self-service storage facility, the
61 owner shall not be liable for the vehicle, watercraft, or trailer for any damages to the motor
62 vehicle, watercraft, or trailer once the tower takes possession of the property.

63 6. At any time before a sale under this section, the occupant may pay the amount
64 necessary to satisfy the lien and redeem the occupant's personal property.

2 **427.300. 1. This section shall be known, and may be cited as, the "Commercial**
3 **Financing Disclosure Law".**

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

5 **(1) "Account",**

6 **(a) Includes:**

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

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

11 **(ii) Services rendered or to be rendered;**

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

13 **(iv) A secondary obligation incurred or to be incurred;**

14 **(v) Energy provided or to be provided;**

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

16 **(vii) Arising out of the use of a credit or charge card or information contained on**
17 **or for use with the card; or**

18 **(viii) As winnings in a lottery or other game of chance operated or sponsored by**
19 **a state, governmental unit of a state, or person licensed or authorized to operate the**
20 **game by a state or governmental unit of a state; and**

21 **b. Health care-insurance receivables.**

22 **(b) "Account" does not include:**

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

24 **b. Commercial tort claims;**

25 **c. Deposit accounts;**

26 **d. Investment property;**

27 **e. Letter-of-credit rights or letters of credit; or**

28 **f. Rights to payment for money or funds advanced or sold, other than rights**
29 **arising out of the use of a credit or charge card or information contained on or for use**
30 **with the card.**

31 **(2) "Accounts receivable purchase transaction", any transaction in which the**
32 **business forwards or otherwise sells to the provider all or a portion of the business's**
33 **accounts or payment intangibles at a discount to their expected value. The provider's**
34 **characterization of an accounts receivable purchase transaction as a purchase is**
35 **conclusive that the accounts receivable purchase transaction is not a loan or a**
36 **transaction for the use, forbearance, or detention of money;**

37 **(3) "Broker", any person who, for compensation or the expectation of**
38 **compensation, obtains a commercial financing transaction or an offer for a commercial**

38 **financing transaction from a third party that would, if executed, be binding upon that**
39 **third party and communicates that offer to a business located in this state. The term**
40 **"broker" excludes a "provider", or any individual or entity whose compensation is not**
41 **based on or dependent upon the terms of the specific commercial financing transaction**
42 **obtained or offered;**

43 **(4) "Business", an individual or group of individuals, sole proprietorship,**
44 **corporation, limited liability company, trust, estate, cooperative, association, or limited**
45 **or general partnership engaged in a business activity;**

46 **(5) "Business purpose transaction", any transaction where the proceeds are**
47 **provided to a business or are intended to be used to carry on a business and not for**
48 **personal, family, or household purposes. For purposes of determining whether a**
49 **transaction is a business purpose transaction, the provider may rely on any written**
50 **statement of intended purpose signed by the business. The statement may be a separate**
51 **statement or may be contained in an application, agreement, or other document signed**
52 **by the business or the business owner or owners;**

53 **(6) "Commercial financing facility", a provider's plan for purchasing multiple**
54 **accounts receivable from the recipient over a period of time pursuant to an agreement**
55 **that sets forth the terms and conditions governing the use of the facility;**

56 **(7) "Commercial financing transaction", any commercial loan, accounts**
57 **receivable purchase transaction, commercial open-end credit plan or each to the**
58 **extent the transaction is a business purpose transaction;**

59 **(8) "Commercial loan", a loan to a business, whether secured or unsecured;**

60 **(9) "Commercial open-end credit plan", commercial financing extended by any**
61 **provider under a plan in which:**

62 **(a) The provider reasonably contemplates repeat transactions; and**

63 **(b) The amount of financing that may be extended to the business during the**
64 **term of the plan, up to any limit set by the provider, is generally made available to the**
65 **extent that any outstanding balance is repaid;**

66 **(10) "Depository institution", any of the following:**

67 **(a) A bank, trust company, or industrial loan company doing business under the**
68 **authority of, or in accordance with, a license, certificate, or charter issued by the United**
69 **States, this state, or any other state, district, territory, or commonwealth of the United**
70 **States that is authorized to transact business in this state;**

71 **(b) A federally chartered savings and loan association, federal savings bank, or**
72 **federal credit union that is authorized to transact business in this state; and**

73 (c) A savings and loan association, savings bank, or credit union organized
74 under the laws of this or any other state that is authorized to transact business in this
75 state;

76 (11) "General intangible", any personal property, including things in action,
77 other than accounts, chattel paper, commercial tort claims, deposit accounts,
78 documents, goods, instruments, investment property, letter-of-credit rights, letters of
79 credit, money, and oil, gas, or other minerals before extraction. "General intangible"
80 also includes payment intangibles and software;

81 (12) "Payment intangible", a general intangible under which the account
82 debtor's principal obligation is a monetary obligation;

83 (13) "Provider", a person who consummates more than five commercial
84 financing transactions to a business located in this state in any calendar year.
85 "Provider" also includes a person that enters into a written agreement with a depository
86 institution to arrange for the extension of a commercial financing transaction by the
87 depository institution to a business via an online lending platform administered by the
88 person. The fact that a provider extends a specific offer for a commercial financing
89 transaction on behalf of a depository institution shall not be construed to mean that the
90 provider engaged in lending or financing or originated that loan or financing.

91 3. (1) A provider that consummates a commercial financing transaction shall
92 disclose the terms of the commercial financing transaction as required by this section.
93 The disclosures shall be provided at or before consummation of the transaction. Only
94 one disclosure is required for each commercial financing transaction, and a disclosure is
95 not required as a result of the modification, forbearance, or change to a consummated
96 commercial financing transaction.

97 (2) A provider shall disclose the following in connection with each commercial
98 financing transaction:

99 (a) The total amount of funds provided to the business under the terms of the
100 commercial financing transaction. This disclosure shall be labeled "Total Amount of
101 Funds Provided";

102 (b) The total amount of funds disbursed to the business under the terms of the
103 commercial financing transaction, if less than the total amount of funds provided, as a
104 result of any fees deducted or withheld at disbursement and any amount paid to a third
105 party on behalf of the business. This disclosure shall be labeled "Total Amount of Funds
106 Disbursed";

107 (c) The total amount to be paid to the provider pursuant to the commercial
108 financing transaction agreement. This disclosure shall be labeled "Total of Payments";

109 **(d) The total dollar cost of the commercial financing transaction under the terms**
110 **of the agreement, derived by subtracting the total amount of funds provided from the**
111 **total of payments. This calculation shall include any fees or charges deducted by the**
112 **provider from the "Total Amount of Funds Provided". This disclosure shall be labeled**
113 **"Total Dollar Cost of Financing";**

114 **(e) The manner, frequency, and amount of each payment. This disclosure shall**
115 **be labeled "Payments". If the payments may vary, the provider shall instead disclose**
116 **the manner, frequency, and the estimated amount of the initial payment labeled**
117 **"Estimated Payments" and the commercial financing transaction agreement shall**
118 **include a description of the methodology for calculating any variable payment and the**
119 **circumstances when payments may vary; and**

120 **(f) A statement of whether there are any costs or discounts associated with**
121 **prepayment of the commercial financing transaction including a reference to the**
122 **paragraph in the agreement that creates the contractual rights of the parties related to**
123 **prepayment. This disclosure shall be labeled "Prepayment".**

124 **(3) A provider that consummates a commercial financing facility may provide**
125 **disclosures required by subdivision (2) of this subsection that are based on an example**
126 **of a transaction that could occur under the agreement. The example shall be based on**
127 **an account receivable total face amount owed of ten thousand dollars. Only one**
128 **disclosure is required for each commercial financing facility, and a disclosure is not**
129 **required as result of a modification, forbearance, or change to the facility. A new**
130 **disclosure is not required each time accounts receivable are purchased under the**
131 **facility.**

132 **4. This section shall not apply to the following:**

133 **(1) A provider that is a depository institution or a subsidiary or service**
134 **corporation that is:**

135 **(a) Owned and controlled by a depository institution; and**

136 **(b) Regulated by a federal banking agency;**

137 **(2) A provider that is a lender regulated under the federal Farm Credit Act, 12**
138 **U.S.C. Section 2001, et seq.;**

139 **(3) A commercial financing transaction that is:**

140 **(a) Secured by real property;**

141 **(b) A lease; or**

142 **(c) A purchase money obligation that is incurred as all or part of the price of the**
143 **collateral or for value given to enable the business to acquire rights in or the use of the**
144 **collateral if the value is in fact so used;**

145 **(4) A commercial financing transaction in which the recipient is a motor vehicle**
146 **dealer or an affiliate of such a dealer, or a vehicle rental company or an affiliate of such**
147 **a company, pursuant to a commercial loan or commercial open-end credit plan of at**
148 **least fifty thousand dollars or a commercial financing transaction offered by a person in**
149 **connection with the sale or lease of products or services that such person manufactures,**
150 **licenses, or distributes, or whose parent company or any of its directly or indirectly**
151 **owned and controlled subsidiaries manufactures, licenses, or distributes;**

152 **(5) A commercial financing transaction that is a factoring transaction, purchase,**
153 **sale, advance, or similar of accounts receivables owed to a health care provider because**
154 **of a patient's personal injury treated by the health care provider;**

155 **(6) A provider that is licensed as a money transmitter in accordance with a**
156 **license, certificate, or charter issued by this state or any other state, district, territory, or**
157 **commonwealth of the United States;**

158 **(7) A provider that consummates no more than five commercial financing**
159 **transactions in this state in a twelve-month period;**

160 **(8) A commercial financing transaction of more than five hundred thousand**
161 **dollars; or**

162 **(9) A commercial financing transaction that is a premium finance agreement as**
163 **defined in subdivision (3) of section 364.100 offered or entered into by a provider that is**
164 **a registered premium finance company.**

165 **5. (1) No person shall engage in business as a broker for commercial financing**
166 **within this state for compensation, unless prior to conducting such business, the person**
167 **has filed a registration with the division of finance within the department of commerce**
168 **and insurance and has on file a good and sufficient bond as specified in this subsection.**
169 **The registration shall be effective upon receipt by the division of finance of a completed**
170 **registration form and the required registration fee, and shall remain effective until the**
171 **time of renewal.**

172 **(2) After filing an initial registration form, a broker shall file, on or before**
173 **January thirty-first of each year, a renewal registration form along with the required**
174 **renewal registration fee.**

175 **(3) The broker shall pay a one hundred dollar registration fee upon the filing of**
176 **an initial registration and a fifty dollar renewal registration fee upon the filing of a**
177 **renewal registration.**

178 **(4) The registration form required by this subsection shall include the following:**

179 **(a) The name of the broker;**

180 **(b) The name in which the broker is transacted if different from that stated in**
181 **paragraph (a) of this subdivision;**

182 (c) The address of the broker's principal office, which may be outside this state;

183 (d) Whether any officer, director, manager, operator, or principal of the broker
184 has been convicted of a felony involving an act of fraud, dishonesty, breach of trust, or
185 money laundering; and

186 (e) The name and address in this state of a designated agent upon whom service
187 of process may be made.

188 (5) If information in a registration form changes or otherwise becomes
189 inaccurate after filing, the broker shall not be required to file a further registration
190 form prior to the time of renewal.

191 (6) Every broker shall obtain a surety bond issued by a surety company
192 authorized to do business in this state. The amount of the bond shall be ten thousand
193 dollars. The bond shall be in favor of the state of Missouri. Any person damaged by the
194 broker's breach of contract or of any obligation arising therefrom, or by any violation of
195 this section, may bring an action against the bond to recover damages suffered. The
196 aggregate liability of the surety shall be only for actual damages and in no event shall
197 exceed the amount of the bond.

198 (7) Employees regularly employed by a broker who has complied with this
199 subsection shall not be required to file a registration or obtain a surety bond when
200 acting within the scope of their employment for the broker.

201 6. (1) Any person who violates any provision of this section shall be punished by
202 a fine of five hundred dollars per incident, not to exceed twenty thousand dollars for all
203 aggregated violations arising from the use of the transaction documentation or materials
204 found to be in violation of this section. Any person who violates any provision of this
205 section after receiving written notice of a prior violation from the attorney general shall
206 be punished by a fine of one thousand dollars per incident, not to exceed fifty thousand
207 dollars for all aggregated violations arising from the use of the transaction
208 documentation or materials found to be in violation of this section.

209 (2) Violation of any provision of this section shall not affect the enforceability or
210 validity of the underlying agreement.

211 (3) This section shall not create a private right of action against any person or
212 other entity based upon compliance or noncompliance with its provisions.

213 (4) Authority to enforce compliance with this section is vested exclusively in the
214 attorney general of this state.

215 7. The requirements of subsections 3 and 5 of this section shall take effect upon
216 either:

217 (1) Six months after the division of finance finalizes promulgating rules, if the
218 division intends to promulgate rules; or

219 **(2) February 28, 2025, if the division does not intend to promulgate rules.**

220 **8. The division of finance may promulgate rules implementing this section. If**
221 **the division of finance intends to promulgate rules, it shall declare its intent to do so no**
222 **later than February 28, 2025. Any rule or portion of a rule, as that term is defined in**
223 **section 536.010, that is created under the authority delegated in this section shall**
224 **become effective only if it complies with and is subject to all of the provisions of chapter**
225 **536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable**
226 **and if any of the powers vested with the general assembly pursuant to chapter 536 to**
227 **review, to delay the effective date, or to disapprove and annul a rule are subsequently**
228 **held unconstitutional, then the grant of rulemaking authority and any rule proposed or**
229 **adopted after August 28, 2024, shall be invalid and void.**

 432.275. 1. As used in this section, "transferable record" means an electronic record
2 that:

3 (1) Would be a note under sections 400.3-101 to 400.3-605 or a document under
4 sections 400.7-101 to 400.7-604 if the electronic record were in writing; and

5 (2) The issuer of the electronic record expressly has agreed is a transferable record.

6 2. A person has control of a transferable record if a system employed for evidencing
7 the transfer of interests in the transferable record reliably establishes that person as the person
8 to which the transferable record was issued or transferred.

9 3. A system satisfies subsection 2 of this section and a person is deemed to have
10 control of a transferable record if the transferable record is created, stored, and assigned in
11 such a manner that:

12 (1) A single authoritative copy of the transferable record exists which is unique,
13 identifiable, and, except as otherwise provided in subdivisions (4), (5), and (6) of this
14 subsection, unalterable;

15 (2) The authoritative copy identifies the person asserting control as:

16 (a) The person to which the transferable record was issued; or

17 (b) If the authoritative copy indicates that the transferable record has been transferred,
18 the person to which the transferable record was most recently transferred;

19 (3) The authoritative copy is communicated to and maintained by the person asserting
20 control or its designated custodian;

21 (4) Copies or revisions that add or change an identified assignee of the authoritative
22 copy can be made only with the consent of the person asserting control;

23 (5) Each copy of the authoritative copy and any copy of a copy is readily identifiable
24 as a copy that is not the authoritative copy; and

25 (6) Any revision of the authoritative copy is readily identifiable as authorized or
26 unauthorized.

27 4. Except as otherwise agreed, a person having control of a transferable record is the
 28 holder, as defined in subdivision ~~[(21)]~~ **(22) of subsection (b)** of section 400.1-201, of the
 29 uniform commercial code, of the transferable record and has the same rights and defenses as a
 30 holder of an equivalent record or writing under the uniform commercial code, including, if the
 31 applicable statutory requirements under section 400.3-302(a), 400.7-501, or 400.9-308 of the
 32 uniform commercial code are satisfied, the rights and defenses of a holder in due course, a
 33 holder to which a negotiable document of title has been duly negotiated, or a purchaser,
 34 respectively. Delivery, possession, and endorsement are not required to obtain or exercise any
 35 of the rights under this subsection.

36 5. Except as otherwise agreed, an obligor under a transferable record has the same
 37 rights and defenses as an equivalent obligor under equivalent records or writings under the
 38 uniform commercial code.

39 6. If requested by a person against which enforcement is sought, the person seeking to
 40 enforce the transferable record shall provide reasonable proof that the person is in control of
 41 the transferable record. Proof may include access to the authoritative copy of the transferable
 42 record and related business records sufficient to review the terms of the transferable record
 43 and to establish the identity of the person having control of the transferable record.

 442.210. 1. The certificate of acknowledgment shall state the act of
 2 acknowledgment, and that the person making the same was personally known to at least
 3 one judge of the court, or to the officer granting the certificate, to be the person whose name is
 4 subscribed to the instrument as a party thereto, or was proved to be such by at least two
 5 witnesses, whose names and places of residence shall be inserted in the certificate; and the
 6 following forms of acknowledgment may be used in the case of conveyances or other written
 7 instruments affecting real estate; and any acknowledgment so taken and certificate shall be
 8 sufficient to satisfy all requirements of law relating to the execution or recording of such
 9 instruments (begin in all cases by a caption, specifying the state and place where the
 10 acknowledgment is taken):

11 (1) In case of natural persons acting in their own right

12 On this _____ day of _____, 20_____, before me personally appeared A B (or A B
 13 and C D), to me known to be the person (or persons) described in and who executed the
 14 foregoing instrument, and acknowledged that he (or they) executed the same as his (or their)
 15 free act and deed.

16 (2) In the case of natural persons acting by attorney

17 On this _____ day of _____, 20_____, before me personally appeared A B, to me
 18 known to be the person who executed the foregoing instrument in behalf of C D, and
 19 acknowledged that he executed the same as the free act and deed of C D.

20 (3) In the case of corporations or joint stock associations

21 On this _____ day of _____, 20_____, before me appeared A B, to me personally
 22 known, who, being by me duly sworn (or affirmed) did say that he is the president (or other
 23 officer or agent of the corporation or association), of (describing the corporation or
 24 association), and that the seal affixed to foregoing instrument is the corporate seal of said
 25 corporation (or association), and that said instrument was signed and sealed in behalf of said
 26 corporation (or association) by authority of its board of directors (or trustees), and said A B
 27 acknowledged said instrument to be the free act and deed of said corporation (or association).

28 2. In case the corporation or association has no corporate seal, omit the words "the
 29 seal affixed to said instrument is the corporate seal of said corporation (or association), and
 30 that", and add at the end of the affidavit clause the words "and that said corporation (or
 31 association) has no corporate seal".

32 3. (In all cases add signature and title of the officer taking the acknowledgment.)

33 ~~[4. When a married woman unites with her husband in the execution of any such
 34 instrument, and acknowledges the same in one of the forms above sanctioned, she shall be
 35 described in the acknowledgment as his wife, but in all other respects her acknowledgment
 36 shall be taken and certified as if she were sole; and no separate examination of a married
 37 woman in respect to the execution of any release or dower, or other instrument affecting real
 38 estate, shall be required.]~~

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

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

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

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

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

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

2 ~~[361.705. 1. No person shall issue checks in this state for a
 consideration without first obtaining a license from the director; provided,
 3 however, that sections 361.700 to 361.727 shall not apply to the receipt of
 4 money by an incorporated telegraph company at any office or agency of such
 5 company for immediate transmission by telegraph nor to any bank, trust
 6 company, savings and loan association, credit union, or agency of the United
 7 States government.~~

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

2 ~~[361.707. 1. Each application for a license pursuant to sections~~
 3 ~~361.700 to 361.727 shall be in writing and under oath to the director in such~~
 4 ~~form as he may prescribe. The application shall state the full name and~~
 5 ~~business address of:~~

- 6 ~~(1) The proprietor, if the applicant is an individual;~~
 7 ~~(2) Every member, if the applicant is a partnership or association;~~
 8 ~~(3) The corporation and each officer and director thereof, if the~~
 9 ~~applicant is a corporation.~~

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

2 ~~[361.711. Each application for a license shall be accompanied by a~~
 3 ~~corporate surety bond in the principal sum of one hundred thousand dollars.~~
 4 ~~The bond shall be in form satisfactory to the director and shall be issued by a~~
 5 ~~bonding company or insurance company authorized to do business in this~~
 6 ~~state, to secure the faithful performance of the obligations of the applicant and~~
 7 ~~the agents and subagents of the applicant with respect to the receipt,~~
 8 ~~transmission, and payment of money in connection with the sale or issuance of~~
 9 ~~checks and also to pay the costs incurred by the division to remedy any breach~~
 10 ~~of the obligations of the applicant subject to the bond or to pay examination~~
 11 ~~costs of the division owed and not paid by the applicant. Upon license~~
 12 ~~renewal, the required amount of bond shall be as follows:~~

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

17 ~~(2) For all licensees receiving money for transmission, five times the~~
 18 ~~greatest amount transmitted in a single day during the previous year with a~~
 19 ~~minimum of one hundred thousand dollars and a maximum of one million~~
 20 ~~dollars.—~~

21 ~~If in the opinion of the director the bond shall at any time appear to be~~
 22 ~~inadequate, insecure, exhausted, or otherwise doubtful, additional bond in~~
 23 ~~form and with surety satisfactory to the director shall be filed within fifteen~~
 24 ~~days after notice of the requirement is given to the licensee by the director. An~~
 25 ~~applicant or licensee may, in lieu of filing any bond required under this~~
 26 ~~section, provide the director with an irrevocable letter of credit, as defined in~~
 27 ~~section 400.5-103, issued by any state or federal financial institution.~~
 28 ~~Whenever in the director's judgment it is necessary or expedient, the~~
 29 ~~director may perform a special examination of any person licensed under~~
 30 ~~sections 361.700 to 361.727 with all authority under section 361.160 as though~~
 31 ~~the licensee were a bank. The cost of such examination shall be paid by the~~
 32 ~~licensee.]~~

2 ~~[361.715. 1. Upon the filing of the application, the filing of a certified~~
 3 ~~audit, the payment of the investigation fee and the approval by the director of~~

3 the necessary bond, the director shall cause, investigate, and determine
4 whether the character, responsibility, and general fitness of the principals of
5 the applicant or any affiliates are such as to command confidence and warrant
6 belief that the business of the applicant will be conducted honestly and
7 efficiently and that the applicant is in compliance with all other applicable
8 state and federal laws. If satisfied, the director shall issue to the applicant a
9 license pursuant to the provisions of sections 361.700 to 361.727. In
10 processing a renewal license, the director shall require the same information
11 and follow the same procedures described in this subsection.

12 2. Each licensee shall pay to the director before the issuance of the
13 license, and annually thereafter on or before April fifteenth of each year, a
14 license fee of four hundred dollars.

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

2 [361.718. Every licensee shall at all times have on demand deposit in a
3 federally insured depository institution or in the form of cash on hand or in the
4 hands of his agents or in readily marketable securities an amount equal to all
5 outstanding unpaid checks sold by him or his agents in Missouri, in addition to
6 the amount of his bond. Upon demand by the director, licensees must
7 immediately provide proof of such funds or securities. The director may make
8 such demand as often as reasonably necessary and shall make such demand to
each licensee, without prior notice, at least twice each license year.]

2 [361.720. Each licensee may conduct business at one or more
3 locations within this state and by means of employees, agents, subagents or
4 representatives as such licensee may designate. No license under sections
5 361.700 to 361.727 shall be required of any such employee, agent, subagent or
6 representative who sells checks in behalf of a licensee. Each such agent,
7 subagent or representative shall upon demand transfer and deliver to the
8 licensee the proceeds of the sale of licensee's checks less the fees, if any, due
such agent, subagent or representative.]

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

2 [361.725. The director may at any time suspend or revoke a license,
3 for any reason he might refuse to grant a license, for failure to pay an annual
4 fee or for a violation of any provision of sections 361.700 to 361.727. No
5 license shall be denied, revoked or suspended except on ten days' notice to the
6 applicant or licensee. Upon receipt of such notice the applicant or licensee
7 may, within five days of such receipt, make written demand for a hearing. The
8 director shall thereafter hear and determine the matter in accordance with the
provisions of chapter 536.]

2 ~~[361.727. The director shall issue regulations necessary to carry out~~
3 ~~the intent and purposes of sections 361.700 to 361.727, pursuant to the~~
 ~~provisions of section 361.105 and chapter 536.]~~

 Section B. If any provision of section A of this act or the application thereof to
2 anyone or to any circumstance is held invalid, the remainder of those sections and the
3 application of such provisions to others or other circumstances shall not be affected thereby.

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