FIRST REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]

SENATE BILL NO. 235
97TH GENERAL ASSEMBLY
2013

AN ACT
To repeal sections 408.590, 408.592, and 408.600, RSMo, and to enact in lieu thereof two new sections relating to residential real estate loan reporting.

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

Section A. Sections 408.590, 408.592, and 408.600, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 408.590 and 408.600, to read as follows:

408.590. 1. [Each division director shall cause each state financial institution which he supervises, licenses or charters and which has an office within a county or a city, such county or city having a population in excess of two hundred fifty thousand, to be examined periodically during which examination the following shall be determined:

(1) The number and total dollar amount of residential real estate loans originated, purchased, or foreclosed by the financial institution after January 1, 1980, in each of the following categories:

(a) Loans secured by residential real estate located outside the state of Missouri other than in counties contiguous to the state of Missouri;
(b) Loans secured by residential real estate located in the state of Missouri or in the counties of other states which counties are contiguous to the border of the state of Missouri, which number and dollar amount shall be further reported by the county in which the property is located;

(2) The number of residential real estate loan applications denied by the institution in which the real estate which was to secure the loan is situated in a county or city with a population in excess of two hundred and fifty thousand by such county or city;

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.
19 (3) By a method to be determined by each division director, such facts as
will enable the division director to conclude whether or not the institution has
engaged or is engaged in any practice in violation of sections 408.570 to 408.600.
20 2. Each division director may issue such regulations as are necessary to
require the maintenance of records from which the conclusions required by this
section can be determined.
21 3. Each division director shall report annually to the governor and the
director of the department his findings made in accordance with the provisions
of this section and which shall include information reported under the provisions
of the Federal Home Mortgage Disclosure Act (12 U.S.C. 2801 et seq.), which
findings shall be made as to the total industry he regulates, and by each county
or city with a population in excess of two hundred fifty thousand. This report
shall be maintained by the division as a public document for a period of five
years.
22 4. The annual reports of the division directors shall state the method or
methods used by the division director to reach his conclusions both in
examination and analysis; and shall contain such facts as he deems necessary to
support those conclusions, including but not limited to:
23 (1) The information required to be obtained by the provisions of subsection
1 of this section;
24 (2) As to the state financial institutions under the supervision
of the respective divisions, each division director shall report annually
to the governor and the director of the department, with regard to each
county or city with a population in excess of two hundred fifty
thousand the following:
25 (1) The number and type of violations of sections 408.570 to 408.600
which are found to have occurred, a statement of the action or actions taken to
enforce the provisions of said sections, and the names of the financial institutions
which have been found upon a hearing to have violated the provisions of said
sections; and
26 [(3)] (2) The number and nature of all complaints received by the
department or division regarding alleged violations of any provision of sections
408.570 to 408.600 and the action taken on each complaint by the division.
27 2. This report shall be maintained by each division as a public
document for a period of five years.
28 408.600. 1. Each division director shall enforce the provisions of sections
408.570 to 408.600. With respect to state financial institutions which he
supervises, licenses or charters, each division director shall utilize the powers
granted him under the general statutory authority by which he regulates,
supervises, licenses, or charters such institutions, as well as the powers granted
him by sections 408.570 to 408.600. The director of the division of finance shall
enforce the provisions of sections 408.570 to 408.600 as they pertain to state
financial institutions not supervised, licensed or chartered by a division director,
and shall in that enforcement have such powers as are granted in said
sections. The enforcement powers granted by subsections 2 through 5 of this
section shall be utilized by the director of the division of finance concerning
national banks, by the director of [savings and loan supervision] the division
of finance concerning federal savings and loan associations, and by the director
of credit unions concerning federal credit unions.

2. Any person who alleges to have been aggrieved as a result of a violation
of section 408.575 or 408.580 may file a complaint with the appropriate division
director. Within ninety days of the receipt of such complaint, the division
director shall determine whether there is any reason to believe that a violation
of section 408.575 or 408.580 has occurred. If the division director determines
that there is such reason, then he shall undertake to resolve the complaint by
negotiation or he shall conduct a hearing in accordance with the provisions of
subsection 3 of this section, except that the hearing shall be held in the locality
where the alleged violation occurred.

3. If the division director[, on the basis of an examination, an
investigation of a complaint which has not been resolved by negotiation, a report
required to be filed by section 408.592, or any public document or information,] has reason to believe that a violation of section 408.575 or 408.580 has occurred
or does exist, the division director shall conduct a hearing in accordance with
chapter 536. If the evidence establishes a violation of any provision of section
408.575 or 408.580, the division director may issue a cease and desist order
stating specifically the unlawful practice to be discontinued, which order shall be
served personally, or by certified mail. The decision of the division director shall
be appealable directly to the circuit court pursuant to chapter 536.

4. If, after an order of the division director has become final, the director
believes a violation of any provision of the order has occurred, he may seek an
injunction to prohibit such violations in any court of competent jurisdiction. For
each violation of such injunction, the court may assess a fine which may be
recovered with costs by the state in any court of competent jurisdiction in an
action to be prosecuted by the attorney general.

5. The remedies provided by this section shall not be interpreted as
exclusive remedies but shall be in addition to remedies otherwise available to the
director or to any individual damaged by a violation of sections 408.570 to
408.600.

[408.592. 1. Each state financial institution which is not
supervised, licensed or chartered by a division director, which
operates or has a place of business within a county having a
population in excess of two hundred fifty thousand or a city not
within a county and which originated an aggregate of five hundred
thousand dollars or more in residential real estate loans in
Missouri during the last calendar year shall, on or before a date of
ninety days after the end of the fiscal year of the institution, file
with the director of the division of finance an annual statement for
each such county or city showing separately the number and total
dollar amount of residential real estate loans both within and
outside of that county or city which were:

(1) Originated by that institution during the preceding
fiscal year;

(2) Purchased by that institution during the preceding fiscal
year; and

(3) Foreclosed by that institution during the preceding
fiscal year.

2. The information required to be filed under subsection 1
of this section shall be further itemized in order to clearly and
conspicuously disclose the following:

(1) The number and dollar amount of each item by census
tracts for residential real estate loans on property located within
that county or city;

(2) The number and dollar amount of each item for all
residential real estate loans on property located outside that county
or city.

3. The information required to be filed under subdivisions
(1) and (2) of subsection 1 shall also be itemized in order to clearly
and conspicuously disclose the following:
(1) The number and dollar amount of loans made for the purchase of residential real estate which are insured under Title II of the National Housing Act or under Title V of the Housing Act of 1949 or which are guaranteed under Chapter 37 of Title 38, United States Code;

(2) The number and dollar amount of loans made for the purchase of residential real estate, including loans insured under federal housing insurance programs;

(3) The number and dollar amount of loans made for the repair, rehabilitation or remodeling of residential real estate.

4. Each statement filed under the provisions of this section shall be filed on forms approved or furnished by the director of the division of finance and shall be verified by two officers of the institution. Wherever possible, the director of the division of finance shall make the forms consistent with the disclosure forms required under the Federal Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2801 et seq.).

5. The director of the division of finance shall maintain the statements filed under the provisions of this section for a period of not less than five years and shall make the statements available to the public for inspection during regular business hours and for copying at a cost not to exceed the actual cost to the division.