

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 1009
94TH GENERAL ASSEMBLY

Reported from the Committee on Financial and Governmental Organizations and Elections, February 28, 2008, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

4647S.04C

TERRY L. SPIELER, Secretary.

AN ACT

To repeal section 381.412, RSMo, and to enact in lieu thereof one new section relating to the acceptance of funds by settlement agents, with an emergency clause.

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

Section A. Section 381.412, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 381.412, to read as follows:

381.412. 1. A settlement agent who accepts funds **of more than two**
2 **thousand five hundred dollars** for closing a [sale of an interest in] real estate
3 **transaction** shall require a buyer, seller, or lender who is not a financial
4 institution to convey such funds to the settlement agent as certified funds. A
5 check shall be exempt from the provisions of this section if drawn on:

6 (1) An escrow account of a licensed real estate broker, as regulated and
7 described in section 339.105, RSMo; or

8 (2) An escrow account of a title insurer or title insurance agency licensed
9 to do business in Missouri; or

10 (3) An agency of the United States of America, the state of Missouri, or
11 any county or municipality of the state of Missouri; or

12 (4) An account by a financial institution.

13 2. It is unlawful for any title insurer, title agency, or title agent, as
14 defined in section 381.009, to make any payment, disbursement or withdrawal
15 from an escrow account which it maintains as a depository of funds received from
16 the public for the settlement of real estate transactions unless a corresponding
17 deposit of funds was made to the escrow account for the benefit of the payee or
18 payees:

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

- 19 (1) At least ten days prior to such payment, disbursement, or withdrawal;
20 or
21 (2) Which consisted of certified funds; or
22 (3) Consisted of a check made exempt from this section by the provisions
23 of subsection 1 of this section.
24 3. A violation of any provision of this section is a level two violation under
25 section 374.049, RSMo.

Section B. Because immediate action is necessary to facilitate real estate
2 transactions in this state, section A of this act is deemed necessary for the
3 immediate preservation of the public health, welfare, peace and safety, and is
4 hereby declared to be an emergency act within the meaning of the constitution,
5 and section A of this act shall be in full force and effect upon its passage and
6 approval.

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Bill

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