

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
CONFERENCE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 635

96TH GENERAL ASSEMBLY
2012

5139S.04T

AN ACT

To repeal sections 30.270, 34.070, 178.530, 228.368, 301.600, 306.400, 339.500, 339.501, 339.503, 339.505, 339.509, 339.511, 339.513, 339.515, 339.517, 339.525, 339.527, 339.529, 339.532, 339.533, 339.535, 339.537, 339.541, 339.543, 339.545, 339.549, 339.1100, 339.1105, 339.1110, 339.1115, 339.1120, 339.1125, 339.1130, 339.1135, 339.1140, 339.1145, 339.1150, 339.1155, 339.1160, 339.1170, 339.1175, 339.1180, 339.1185, 339.1190, 339.1200, 339.1205, 339.1210, 339.1215, 339.1220, 339.1230, 339.1235, 339.1240, 362.333, and 400.9-311, RSMo, and to enact in lieu thereof thirty-four new sections relating to financial transactions, with penalty provisions and an emergency clause for a certain section.

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

Section A. Sections 30.270, 34.070, 178.530, 228.368, 301.600, 306.400, 2 339.500, 339.501, 339.503, 339.505, 339.509, 339.511, 339.513, 339.515, 339.517, 3 339.525, 339.527, 339.529, 339.532, 339.533, 339.535, 339.537, 339.541, 339.543, 4 339.545, 339.549, 339.1100, 339.1105, 339.1110, 339.1115, 339.1120, 339.1125, 5 339.1130, 339.1135, 339.1140, 339.1145, 339.1150, 339.1155, 339.1160, 339.1170, 6 339.1175, 339.1180, 339.1185, 339.1190, 339.1200, 339.1205, 339.1210, 339.1215, 7 339.1220, 339.1230, 339.1235, 339.1240, 362.333, and 400.9-311, RSMo, are 8 repealed and thirty-four new sections enacted in lieu thereof, to be known as 9 sections 30.270, 34.070, 163.024, 178.530, 228.341, 228.368, 228.369, 228.374, 10 301.600, 306.400, 339.500, 339.501, 339.503, 339.505, 339.509, 339.511, 339.513,

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

11 339.515, 339.517, 339.525, 339.527, 339.529, 339.532, 339.533, 339.535, 339.537,
12 339.541, 339.543, 339.545, 339.549, 339.1115, 362.333, 400.9-311, and 1, to read
13 as follows:

30.270. 1. For the security of the moneys deposited by the state treasurer
2 pursuant to the provisions of this chapter, the state treasurer shall, from time to
3 time, submit a list of acceptable securities to be approved by the governor and
4 state auditor if satisfactory to them, and the state treasurer shall require of the
5 selected and approved banks or financial institutions as security for the
6 safekeeping and payment of deposits, securities from the list provided for in this
7 section, which list shall include only securities of the following kind and
8 character, unless it is determined by the state treasurer that the use of such
9 securities as collateral may place state public funds at undue risk:

10 (1) Bonds or other obligations of the United States;

11 (2) Bonds or other obligations of the state of Missouri including revenue
12 bonds issued by state agencies or by state authorities created by legislative
13 enactment;

14 (3) Bonds or other obligations of any city in this state having a population
15 of not less than two thousand;

16 (4) Bonds or other obligations of any county in this state;

17 (5) Approved registered bonds or other obligations of any school district,
18 including certificates of participation and leasehold revenue bonds, situated in
19 this state;

20 (6) Approved registered bonds or other obligations of any special road
21 district in this state;

22 (7) State bonds or other obligations of any state;

23 (8) Notes, bonds, debentures or other similar obligations issued by the
24 farm credit banks or agricultural credit banks or any other obligations issued
25 pursuant to the provisions of an act of the Congress of the United States known
26 as the Farm Credit Act of 1971, and acts amendatory thereto;

27 (9) Bonds of the federal home loan banks;

28 (10) Any bonds or other obligations guaranteed as to payment of principal
29 and interest by the government of the United States or any agency or
30 instrumentality thereof;

31 (11) Bonds of any political subdivision established pursuant to the
32 provisions of section 30, article VI of the Constitution of Missouri;

33 (12) Tax anticipation notes issued by any county of the first classification;

34 (13) A surety bond issued by an insurance company licensed pursuant to
35 the laws of the state of Missouri whose claims-paying ability is rated in the

36 highest category by at least one nationally recognized statistical rating
37 agency. The face amount of such surety bond shall be at least equal to the
38 portion of the deposit to be secured by the surety bond;

39 (14) An irrevocable standby letter of credit issued by a Federal Home
40 Loan Bank [possessing the highest rating issued by at least one nationally
41 recognized statistical rating agency];

42 (15) Out-of-state municipal bonds, including certificates of participation
43 and leasehold revenue bonds, provided such bonds are rated in the highest
44 category by at least one nationally recognized statistical rating agency;

45 (16) (a) Mortgage securities that are individual loans that include
46 negotiable promissory notes and the first lien deeds of trust securing payment of
47 such notes on one to four family real estate, on commercial real estate, or on farm
48 real estate located in Missouri or states adjacent to Missouri, provided such
49 loans:

50 a. Are underwritten to conform to standards established by the state
51 treasurer, which are substantially similar to standards established by the Federal
52 Home Loan Bank of Des Moines, Iowa, and any of its successors in interest that
53 provide funding for financial institutions in Missouri;

54 b. Are offered by a financial institution in which a senior executive officer
55 certifies under penalty of perjury that such loans are compliant with the
56 requirements of the Federal Home Loan Bank of Des Moines, Iowa, when such
57 loans are pledged by such bank;

58 c. Are offered by a financial institution that is well capitalized; and

59 d. Are not construction loans, are not more than ninety days delinquent,
60 have not been classified as substandard, doubtful, or subject to loss, are one
61 hundred percent owned by the financial institution, are otherwise unencumbered
62 and are not being temporarily warehoused in the financial institution for sale to
63 a third party. Any disqualified mortgage securities shall be removed as collateral
64 within ninety days of disqualification or the state treasurer may disqualify such
65 collateral as collateral for state funds;

66 (b) The state treasurer may promulgate regulations and provide such
67 other forms or agreements to ensure the state maintains a first priority position
68 on the deeds of trust and otherwise protect and preserve state funds. Any rule
69 or portion of a rule, as that term is defined in section 536.010, that is created
70 under the authority delegated in this section shall become effective only if it
71 complies with and is subject to all of the provisions of chapter 536 and, if
72 applicable, section 536.028. This section and chapter 536 are nonseverable and
73 if any of the powers vested with the general assembly pursuant to chapter 536 to

74 review, to delay the effective date, or to disapprove and annul a rule are
75 subsequently held unconstitutional, then the grant of rulemaking authority and
76 any rule proposed or adopted after August 28, 2005, shall be invalid and void;

77 (c) A status report on all such mortgage securities shall be provided to the
78 state treasurer on a calendar monthly basis in the manner and format prescribed
79 by the state treasurer by the financial institutions pledging such mortgage
80 securities and also shall certify their compliance with subsection 2 for such
81 mortgage securities;

82 (d) In the alternative to paragraph (a) of this subdivision, a financial
83 institution may provide a blanket lien on all loans secured by one to four family
84 real estate, all loans secured by commercial real estate, all loans secured by farm
85 real estate, or any combination of these categories, provided the financial
86 institution secures such blanket liens with real estate located in Missouri and
87 states adjacent to Missouri and otherwise complies with paragraphs (b) and (c)
88 of this subdivision;

89 (e) The provisions of paragraphs (a) to (d) of this subdivision are not
90 authorized for any Missouri political subdivision, notwithstanding the provisions
91 of chapter 110 to the contrary;

92 (f) As used in this subdivision, the term "unencumbered" shall mean
93 mortgage securities pledged for state funds as provided in subsection 1 of this
94 section, and not subject to any other express claims by any third parties,
95 including but not limited to a blanket lien on the bank assets by the Federal
96 Home Loan Bank, a depositary arrangement when securities are loaned and
97 repurchased daily or otherwise, or the depositary has pledged its stock and assets
98 for a loan to purchase another depositary or otherwise; and

99 (g) As used in this subdivision, the term "well capitalized" shall mean a
100 banking institution that according to its most recent report of condition and
101 income or thrift financial report, publicly available as applicable, qualifies as well
102 capitalized under the uniform capital requirements established by the federal
103 banking regulators or as determined by state banking regulators under
104 substantially similar requirements;

105 (17) Any investment that the state treasurer may invest in as provided
106 in article IV, section 15 of the Missouri Constitution, and subject to the state
107 treasurer's written investment policy in section 30.260, that is not otherwise
108 provided for in this section, provided the banking institution or eligible lending
109 institution as defined in subdivision (10) of section 30.750 is well capitalized, as
110 defined in subdivision (16) of this subsection. The provisions of this subdivision
111 are not authorized for political subdivisions, notwithstanding the provisions of

112 chapter 110 to the contrary.

113 2. Securities deposited shall be in an amount valued at market equal at
114 least to one hundred percent of the aggregate amount on time deposit as well as
115 on demand deposit with the particular financial institution less the amount, if
116 any, which is insured either by the Federal Deposit Insurance Corporation or by
117 the National Credit Unions Share Insurance Fund. Furthermore, for a
118 well-capitalized banking institution, securities authorized in this section that are:

119 (1) Mortgage securities on loans secured on one to four family real estate
120 appraised to reflect the market value at the time of the loan and deposited as
121 collateral shall not exceed one hundred twenty-five percent of the aggregate
122 amount of time deposits and demand deposits;

123 (2) Mortgage securities on loans secured on commercial real estate or on
124 farm real estate appraised to reflect the market value at the time of the loan and
125 deposited as collateral shall not exceed the collateral requirements of the Federal
126 Home Loan Bank of Des Moines, Iowa;

127 (3) United States Treasury securities and United States Federal Agency
128 debentures issued by Fannie Mae, Freddie Mac, the Federal Home Loan Bank,
129 or the Federal Farm Credit Bank valued at market and deposited as collateral
130 shall not exceed one hundred five percent of the aggregate amount of time
131 deposits and demand deposits. All other securities, except as noted elsewhere in
132 this section valued at market and deposited as collateral shall not exceed one
133 hundred fifteen percent of the aggregated amount of the time deposits and
134 demand deposits; and

135 (4) Securities that are surety bonds and letters of credit authorized as
136 collateral need only collateralize one hundred percent of the aggregate amount
137 of time deposits and demand deposits.

138 3. The securities or book entry receipts shall be delivered to the state
139 treasurer and receipted for by the state treasurer and retained by the treasurer
140 or by financial institutions that the governor, state auditor and treasurer agree
141 upon. The state treasurer shall from time to time inspect the securities and book
142 entry receipts and see that they are actually held by the state treasury or by the
143 financial institutions selected as the state depositories. The governor and the
144 state auditor may inspect or request an accounting of the securities or book entry
145 receipts, and if in any case, or at any time, the securities are not satisfactory
146 security for deposits made as provided by law, they may require additional
147 security to be given that is satisfactory to them.

148 4. Any securities deposited pursuant to this section may from time to time
149 be withdrawn and other securities described in the list provided for in subsection

150 1 of this section may be substituted in lieu of the withdrawn securities with the
151 consent of the treasurer; but a sufficient amount of securities to secure the
152 deposits shall always be held by the treasury or in the selected depositories.

153 5. If a financial institution of deposit fails to pay a deposit, or any part
154 thereof, pursuant to the terms of its contract with the state treasurer, the state
155 treasurer shall forthwith convert the securities into money and disburse the same
156 according to law.

157 6. Any financial institution making deposits of bonds with the state
158 treasurer pursuant to the provisions of this chapter may cause the bonds to be
159 endorsed or stamped as it deems proper, so as to show that they are deposited as
160 collateral and are not transferable except upon the conditions of this chapter or
161 upon the release by the state treasurer.

34.070. In making purchases, the commissioner of administration or any
2 agent of the state with purchasing power shall give preference to all commodities
3 and tangible personal property manufactured, mined, produced, processed, or
4 grown within the state of Missouri, to all new generation processing entities
5 defined in section 348.432, except new generation processing entities that own or
6 operate a renewable fuel production facility or that produce renewable fuel, and
7 to all firms, corporations or individuals doing business as Missouri firms,
8 corporations or individuals, when quality is equal or better and delivered price
9 is the same or less. The commissioner of administration or any agent of the state
10 with purchasing power may also give such preference whenever competing bids,
11 in their entirety, are comparable. For purposes of this section, "commodities"
12 shall include **forest products and bricks or** any agricultural product that has
13 been processed or otherwise had value added to it in this state.

**163.024. All moneys received in the Iron County School Fund,
2 Reynolds County School Fund, Jefferson County School Fund, and
3 Washington County School Fund from the payment of a civil penalty
4 pursuant to a consent decree filed in the United States district court
5 for the eastern district of Missouri in December 2011 in the case of
6 *United States of America and State of Missouri v. the Doe Run Resources
7 Corporation d/b/a "The Doe Run Company," and the Buick Resource
8 Recycling Facility, LLC*, because of environmental violations shall not
9 be included in any district's "local effort" figure, as such term is defined
10 in section 163.011. The provisions of this section shall terminate on
11 July 1, 2016.**

178.530. 1. The state board of education shall establish standards and
2 annually inspect, as a basis for approval, all public prevocational, vocational

3 schools, Linn State Technical College, departments and classes receiving state or
4 federal moneys for giving training in agriculture, industrial, home economics and
5 commercial subjects and all schools, departments and classes receiving state or
6 federal moneys for the preparation of teachers and supervisors of such
7 subjects. The public prevocational and vocational schools, Linn State Technical
8 College, departments, and classes, and the training schools, departments and
9 classes are entitled to the state or federal moneys so long as they are approved
10 by the state board of education, as to site, plant, equipment, qualifications of
11 teachers, admission of pupils, courses of study and methods of instruction. All
12 disbursements of state or federal moneys for the benefit of the approved
13 prevocational and vocational schools, Linn State Technical College, departments
14 and classes shall be made semiannually. The school board of each approved
15 school or the governing body of Linn State Technical College shall file a report
16 with the state board of education at the times and in the form that the state
17 board requires. Upon receipt of a satisfactory report, the state board of education
18 shall certify to the commissioner of administration for his approval the amount
19 of the state and federal moneys due the school district or Linn State Technical
20 College. The amount due the school district shall be certified by the
21 commissioner of administration and proper warrant therefor shall be issued to
22 the district treasurer or Linn State Technical College.

23 **2. Notwithstanding the provisions of subsection 1 of this section,**
24 **the state board of education shall establish standards for agricultural**
25 **education that may be adopted by a private school accredited by an**
26 **agency recognized by the United States Department of Education as an**
27 **accreditor of private schools that wishes to provide quality vocational**
28 **programming outside the requirements of, but consistent with, the**
29 **federal vocational education act. Such standards shall be sufficient to**
30 **qualify a private school to apply to the state chapter for approval of a**
31 **local chapter of a federally chartered national agricultural education**
32 **association on a form developed for that purpose by the department of**
33 **elementary and secondary education without eligibility to receive state**
34 **or federal funding for agricultural vocational education. Any such**
35 **private school shall reimburse the department annually for the cost of**
36 **oversight and maintenance of the program.**

228.341. For purposes of sections 228.341 to 228.374, "private
2 road" with regard to a proceeding to obtain a maintenance order means
3 any private road established under this chapter or any easement of
4 access, regardless of how created, which provides a means of ingress

5 and egress by motor vehicle for any owner or owners of residences
6 from such homes to a public road. A private road does not include any
7 road owned by the United States or any agency or instrumentality
8 thereof, or the state of Missouri, or any county, municipality, political
9 subdivision, special district, instrumentality, or agency of the state of
10 Missouri. Nothing in sections 228.341 to 228.374 shall be deemed to
11 apply to any road created by or included in any recorded plat
12 referencing or referenced in an indenture or declaration creating an
13 owner's association, regardless of whether such road is designated as
14 a common element. Nothing in sections 228.341 to 228.374 shall be
15 deemed to apply to any land or property owned or operated by any
16 railroad regulated by the Federal Railroad Administration.

228.368. The costs of the proceedings to establish or widen a private
2 road incurred up to and including the filing of the commissioners' report shall
3 be paid by the plaintiff; and the court, as to any costs incurred in proceedings
4 subsequent thereto, including the costs of the jury trial, may make such order as
5 in its discretion may be deemed just, including, in the case of a proceeding
6 to obtain a maintenance order, assessing the costs to all benefitted
7 homeowners.

228.369. 1. For any private road subject to the use of more than
2 one homeowner, in the absence of a prior order or written agreement
3 for the maintenance of the private road, including covenants contained
4 in deeds or state or local permits providing for the maintenance of a
5 private road, when adjoining homeowners who are benefitted by the
6 use of an abutting private road, or homeowners who have an easement
7 to use a private road, collectively owners or benefitted owners are
8 unable to agree in writing upon a plan of maintenance for the
9 maintenance, repair, or improvement of the private road and including
10 the assessment and apportionment of costs for the plan of maintenance,
11 one or more of the owners may petition the circuit court for an order
12 establishing a plan of maintenance.

13 2. The cost of a plan of maintenance for a private road shall be
14 apportioned among the owners of residences abutting the private road
15 and holders of easements to use the private road, with the cost
16 apportioned commensurate with the use and benefit to residences
17 benefitted by the access, as mutually agreed by the benefitted
18 homeowners or as ordered by the court with such method of
19 apportionment as agreed by the homeowners or ordered by the court,

20 including, but not limited to, equal division, or proportionate to the
21 residential assessed value, or to front footage, or to usage or benefit.

22 3. The court may implement the same procedures to order and
23 subsequently determine a plan of maintenance for a private road as
24 provided in this chapter for establishing or widening a private road,
25 including the appointment and compensation of disinterested
26 commissioners to determine the plan and the apportionment of costs.

27 4. Where the homeowners who are benefitted by the private road
28 are not able to agree upon the designation of a supervisor to complete
29 the plan of maintenance, the commissioners appointed by the court
30 shall designate a supervisor who shall be compensated for his or her
31 services in the same manner as the commissioners.

32 5. Any agreement executed by all the homeowners, or final order
33 approving, a plan of maintenance for a private road shall be recorded
34 with the county recorder of deeds.

35 6. One or more adjoining homeowners or holders of any
36 easement to use a private road may bring an action to enforce the plan
37 of maintenance for a private road, whether as mutually agreed or as
38 ordered by the court.

228.374. 1. A prior agreement or court order establishing a plan
2 of maintenance may be amended or modified and may be restated at
3 any time by a recorded agreement signed by all the homeowners or
4 other benefitted owners.

5 2. No court proceeding under section 228.369 to amend, modify,
6 or restate a plan of maintenance may be filed sooner than seven years
7 from the entry of a prior order, except upon a prima facie showing that
8 the real property benefitted by the private road has been developed or
9 divided in a manner rendering the plan of maintenance obsolete or
10 showing that the existing apportionment of the use and benefit to
11 residences benefitted by the access to the private road is no longer
12 equitable.

301.600. 1. Unless excepted by section 301.650, a lien or encumbrance on
2 a motor vehicle or trailer, as defined by section 301.010, is not valid against
3 subsequent transferees or lienholders of the motor vehicle or trailer who took
4 without knowledge of the lien or encumbrance unless the lien or encumbrance is
5 perfected as provided in sections 301.600 to 301.660.

6 2. Subject to the provisions of section 301.620, a lien or encumbrance on
7 a motor vehicle or trailer is perfected by the delivery to the director of revenue

8 of a notice of a lien in a format as prescribed by the director of revenue. The
9 notice of lien is perfected as of the time of its creation if the delivery of such
10 notice to the director of revenue is completed within thirty days thereafter,
11 otherwise as of the time of the delivery. A notice of lien shall contain the name
12 and address of the owner of the motor vehicle or trailer and the secured party, a
13 description of the motor vehicle or trailer, including the vehicle identification
14 number, and such other information as the department of revenue may prescribe.
15 A notice of lien substantially complying with the requirements of this section is
16 effective even though it contains minor errors which are not seriously
17 misleading. Provided the lienholder submits complete and legible documents, the
18 director of revenue shall mail confirmation or electronically confirm receipt of
19 such notice of lien to the lienholder as soon as possible, but no later than fifteen
20 business days after the filing of the notice of lien.

21 3. Notwithstanding the provisions of section 301.620, on a refinance **by**
22 **a different lender** of a **prior** loan secured by a motor vehicle or trailer a lien
23 is perfected by the delivery to the director of revenue of a notice of lien completed
24 by the refinancing lender in a format prescribed by the director of revenue.

25 4. To perfect a subordinate lien, the notice of lien must be accompanied
26 by the documents required to be delivered to the director pursuant to subdivision
27 (3) of section 301.620.

28 5. Liens may secure future advances. The future advances may be
29 evidenced by one or more notes or other documents evidencing indebtedness and
30 shall not be required to be executed or delivered prior to the date of the future
31 advance lien securing them. The fact that a lien may secure future advances
32 shall be clearly stated on the security agreement and noted as "subject to future
33 advances" on the notice of lien and noted on the certificate of ownership if the
34 motor vehicle or trailer is subject to only one notice of lien. To secure future
35 advances when an existing lien on a motor vehicle or trailer does not secure
36 future advances, the lienholder shall file a notice of lien reflecting the lien to
37 secure future advances. A lien to secure future advances is perfected in the same
38 time and manner as any other lien, except as follows: proof of the lien for future
39 advances is maintained by the department of revenue; however, there shall be
40 additional proof of such lien when the notice of lien reflects such lien for future
41 advances, is receipted for by the department of revenue, and returned to the
42 lienholder.

43 6. If a motor vehicle or trailer is subject to a lien or encumbrance when
44 brought into this state, the validity and effect of the lien or encumbrance is
45 determined by the law of the jurisdiction where the motor vehicle or trailer was

46 when the lien or encumbrance attached, subject to the following:

47 (1) If the parties understood at the time the lien or encumbrance attached
48 that the motor vehicle or trailer would be kept in this state and it was brought
49 into this state within thirty days thereafter for purposes other than
50 transportation through this state, the validity and effect of the lien or
51 encumbrance in this state is determined by the law of this state;

52 (2) If the lien or encumbrance was perfected pursuant to the law of the
53 jurisdiction where the motor vehicle or trailer was when the lien or encumbrance
54 attached, the following rules apply:

55 (a) If the name of the lienholder is shown on an existing certificate of title
56 or ownership issued by that jurisdiction, the lien or encumbrance continues
57 perfected in this state;

58 (b) If the name of the lienholder is not shown on an existing certificate of
59 title or ownership issued by that jurisdiction, the lien or encumbrance continues
60 perfected in this state three months after a first certificate of ownership of the
61 motor vehicle or trailer is issued in this state, and also thereafter if, within the
62 three-month period, it is perfected in this state. The lien or encumbrance may
63 also be perfected in this state after the expiration of the three-month period; in
64 that case perfection dates from the time of perfection in this state;

65 (3) If the lien or encumbrance was not perfected pursuant to the law of
66 the jurisdiction where the motor vehicle or trailer was when the lien or
67 encumbrance attached, it may be perfected in this state; in that case perfection
68 dates from the time of perfection in this state;

69 (4) A lien or encumbrance may be perfected pursuant to paragraph (b) of
70 subdivision (2) or subdivision (3) of this subsection either as provided in
71 subsection 2 or 4 of this section or by the lienholder delivering to the director of
72 revenue a notice of lien or encumbrance in the form the director of revenue
73 prescribes and the required fee.

74 7. By rules and regulations, the director of revenue shall establish a
75 security procedure for the purpose of verifying that an electronic notice of lien or
76 notice of satisfaction of a lien on a motor vehicle or trailer given as permitted in
77 sections 301.600 to 301.640 is that of the lienholder, verifying that an electronic
78 notice of confirmation of ownership and perfection of a lien given as required in
79 section 301.610 is that of the director of revenue, and detecting error in the
80 transmission or the content of any such notice. A security procedure may require
81 the use of algorithms or other codes, identifying words or numbers, encryption,
82 callback procedures or similar security devices. Comparison of a signature on a
83 communication with an authorized specimen signature shall not by itself be a

84 security procedure.

306.400. 1. As used in sections 306.400 to 306.440, the terms motorboat,
2 vessel, and watercraft shall have the same meanings given them in section
3 306.010, and the term outboard motor shall include outboard motors governed by
4 section 306.530.

5 2. Unless excepted by section 306.425, a lien or encumbrance on an
6 outboard motor, motorboat, vessel, or watercraft shall not be valid against
7 subsequent transferees or lienholders of the outboard motor, motorboat, vessel or
8 watercraft, who took without knowledge of the lien or encumbrance unless the
9 lien or encumbrance is perfected as provided in sections 306.400 to 306.430.

10 3. A lien or encumbrance on an outboard motor, motorboat, vessel or
11 watercraft is perfected by the delivery to the director of revenue of a notice of lien
12 in a format as prescribed by the director. Such lien or encumbrance shall be
13 perfected as of the time of its creation if the delivery of the items required in this
14 subsection to the director of revenue is completed within thirty days thereafter,
15 otherwise such lien or encumbrance shall be perfected as of the time of the
16 delivery. A notice of lien shall contain the name and address of the owner of the
17 outboard motor, motorboat, vessel or watercraft and the secured party, a
18 description of the outboard motor, motorboat, vessel or watercraft motor,
19 including any identification number, and such other information as the
20 department of revenue may prescribe. A notice of lien substantially complying
21 with the requirements of this section is effective even though it contains minor
22 errors which are not seriously misleading. Provided the lienholder submits
23 complete and legible documents, the director of revenue shall mail confirmation
24 or electronically confirm receipt of each notice of lien to the lienholder as soon as
25 possible, but no later than fifteen business days after the filing of the notice of
26 lien.

27 4. Notwithstanding the provisions of section 306.410, on a refinance **by**
28 **a different lender** of a **prior** loan secured by an outboard motor, motorboat,
29 vessel or watercraft, a lien is perfected by the delivery to the director of revenue
30 of a notice of lien completed by the refinancing lender in a format prescribed by
31 the director of revenue.

32 5. Liens may secure future advances. The future advances may be
33 evidenced by one or more notes or other documents evidencing indebtedness and
34 shall not be required to be executed or delivered prior to the date of the future
35 advance lien securing them. The fact that a lien may secure future advances
36 shall be clearly stated on the security agreement and noted as "subject to future
37 advances" in the second lienholder's portion of the notice of lien. To secure future

38 advances when an existing lien on an outboard motor, motorboat, vessel or
39 watercraft does not secure future advances, the lienholder shall file a notice of
40 lien reflecting the lien to secure future advances. A lien to secure future
41 advances is perfected in the same time and manner as any other lien, except as
42 follows. Proof of the lien for future advances is maintained by the department of
43 revenue; however, there shall be additional proof of such lien when the notice of
44 lien reflects such lien for future advances, is receipted for by the department of
45 revenue, and returned to the lienholder.

46 6. Whether an outboard motor, motorboat, vessel, or watercraft is subject
47 to a lien or encumbrance shall be determined by the laws of the jurisdiction
48 where the outboard motor, motorboat, vessel, or watercraft was when the lien or
49 encumbrance attached, subject to the following:

50 (1) If the parties understood at the time the lien or encumbrances
51 attached that the outboard motor, motorboat, vessel, or watercraft would be kept
52 in this state and it is brought into this state within thirty days thereafter for
53 purposes other than transportation through this state, the validity and effect of
54 the lien or encumbrance in this state shall be determined by the laws of this
55 state;

56 (2) If the lien or encumbrance was perfected pursuant to the laws of the
57 jurisdiction where the outboard motor, motorboat, vessel, or watercraft was when
58 the lien or encumbrance attached, the following rules apply:

59 (a) If the name of the lienholder is shown on an existing certificate of title
60 or ownership issued by that jurisdiction, his or her lien or encumbrance continues
61 perfected in this state;

62 (b) If the name of the lienholder is not shown on an existing certificate of
63 title or ownership issued by the jurisdiction, the lien or encumbrance continues
64 perfected in this state for three months after the first certificate of title of the
65 outboard motor, motorboat, vessel, or watercraft is issued in this state, and also
66 thereafter if, within the three-month period, it is perfected in this state. The lien
67 or encumbrance may also be perfected in this state after the expiration of the
68 three-month period, in which case perfection dates from the time of perfection in
69 this state;

70 (3) If the lien or encumbrance was not perfected pursuant to the laws of
71 the jurisdiction where the outboard motor, motorboat, vessel, or watercraft was
72 when the lien or encumbrance attached, it may be perfected in this state, in
73 which case perfection dates from the time of perfection in this state;

74 (4) A lien or encumbrance may be perfected pursuant to paragraph (b) of
75 subdivision (2) or subdivision (3) of this subsection in the same manner as

76 provided in subsection 3 of this section.

77 7. The director of revenue shall by rules and regulations establish a
78 security procedure to verify that an electronic notice or lien or notice of
79 satisfaction of a lien on an outboard motor, motorboat, vessel or watercraft given
80 pursuant to sections 306.400 to 306.440 is that of the lienholder, to verify that an
81 electronic notice of confirmation of ownership and perfection of a lien given
82 pursuant to section 306.410 is that of the director of revenue and to detect error
83 in the transmission or the content of any such notice. Such a security procedure
84 may require the use of algorithms or other codes, identifying words or numbers,
85 encryption, callback procedures or similar security devices. Comparison of a
86 signature on a communication with an authorized specimen signature shall not
87 by itself constitute a security procedure.

 339.500. This act shall be known and may be cited as the "Missouri
2 Certified and Licensed Real Estate Appraisers **and Appraisal Management**
3 **Company Regulation Act**".

 339.501. 1. Beginning July 1, 1999, it shall be unlawful for any person
2 in this state to act as a real estate appraiser, or to directly or indirectly, engage
3 or assume to engage in the business of real estate appraisal or to advertise or
4 hold himself or herself out as engaging in or conducting such business without
5 first obtaining a license or certificate issued by the Missouri real estate
6 appraisers commission as provided in sections 339.500 to 339.549.

7 2. **Except for licenses issued to appraisal management companies**
8 **under section 339.511**, no license or certificate shall be issued pursuant to
9 sections 339.500 to 339.549 to a partnership, association, corporation, firm or
10 group; except that, nothing in this section shall preclude a state-licensed or
11 state-certified real estate appraiser from rendering appraisals for, or on behalf
12 of, a partnership, association, corporation, firm or group, provided the appraisal
13 report is prepared by, or under the immediate personal direction of the
14 state-licensed or state-certified real estate appraiser and is reviewed and signed
15 by such state-licensed or state-certified appraiser.

16 3. Any person who is not state licensed or state certified pursuant to
17 sections 339.500 to 339.549 may assist a state-licensed or state-certified real
18 estate appraiser in the performance of an appraisal; provided that, such person
19 is personally supervised by a state-licensed or state-certified appraiser and
20 provided further that any appraisal report rendered in connection with the
21 appraisal is reviewed and signed by the state-licensed or state-certified real
22 estate appraiser.

23 4. Nothing in sections 339.500 to 339.549 shall abridge, infringe upon or

24 otherwise restrict the right to use the term "certified ad valorem tax appraiser"
25 or any similar term by persons performing ad valorem tax appraisals.

26 5. The provisions of sections 339.500 to 339.549 shall not be construed to
27 require a license or certificate for:

28 (1) Any person, partnership, association or corporation who, as owner,
29 performs appraisals of property owned by such person, partnership, association
30 or corporation;

31 (2) Any licensed real estate broker or salesperson who prepares a
32 comparative market analysis or a broker price opinion;

33 (3) Any employee of a local, state or federal agency who performs
34 appraisal services within the scope of his or her employment; except that, this
35 exemption shall not apply where any local, state or federal agency requires an
36 employee to be registered, licensed or certified to perform appraisal services;

37 (4) Any employee of a federal or state-regulated lending agency or
38 institution;

39 (5) Any agent of a federal or state-regulated lending agency or institution
40 in a county of third or fourth classification.

339.503. As used in sections 339.500 to 339.549, the following words and
2 phrases mean, unless the context clearly indicates otherwise:

3 (1) "Appraisal" or "real estate appraisal", an objective analysis, evaluation,
4 opinion, or conclusion relating to the nature, quality, value or utility of specified
5 interests in, or aspects of, identified real estate. An appraisal may be classified
6 by subject matter into either a valuation or an analysis;

7 (2) "Appraisal assignment", an engagement for which a person is
8 employed or retained to act as a disinterested third party in rendering an
9 objective appraisal;

10 (3) **"Appraisal firm", a person, limited liability company,**
11 **partnership, association, or corporation whose principal is an**
12 **appraiser licensed under sections 339.500 to 339.549 which for**
13 **compensation prepares and communicates appraisals, reviews**
14 **appraisals prepared by others, provides appraisal consultation services,**
15 **and supervises, trains, and reviews work produced or certified by**
16 **persons licensed under sections 339.500 to 339.549 who produces**
17 **appraisals;**

18 (4) "Appraisal foundation", the organization of the same name that was
19 incorporated as an Illinois not-for-profit corporation on November 20, 1987, whose
20 operative boards are the appraisal standards board and the appraiser
21 qualifications board;

22 **(5) "Appraisal management company", an individual or business**
23 **entity that utilizes an appraisal panel and performs, directly or**
24 **indirectly, appraisal management services;**

25 **(6) "Appraisal management services", to directly or indirectly**
26 **perform any of the following functions on behalf of a lender, financial**
27 **institution, client, or any other person:**

28 **(a) Administer an appraiser panel;**

29 **(b) Recruit, qualify, verify licensing or certification, and**
30 **negotiate fees and service level expectations with persons who are part**
31 **of an appraiser panel;**

32 **(c) Receive an order for an appraisal from one person and**
33 **deliver the order for the appraisal to an appraiser that is part of an**
34 **appraiser panel for completion;**

35 **(d) Track and determine the status of orders for appraisals**
36 **performed by appraisers who are part of an appraisal panel;**

37 **(e) Conduct quality control of a completed appraisal performed**
38 **by an appraiser who is part of an appraisal panel prior to the delivery**
39 **of the appraisal to the person who ordered the appraisal; and**

40 **(f) Provide a completed appraisal performed by an appraiser**
41 **who is part of an appraisal panel to one or more persons who have**
42 **ordered an appraisal;**

43 **[(4)] (7) "Appraisal report", any communication, written or oral, of an**
44 **appraisal. The purpose of an appraisal is immaterial, therefore valuation reports,**
45 **real estate counseling reports, real estate tax counseling reports, real estate**
46 **offering memoranda, mortgage banking offers, highest and best use studies,**
47 **market demand and economic feasibility studies and all other reports**
48 **communicating an appraisal analysis, opinion or conclusion are appraisal reports,**
49 **regardless of title;**

50 **[(5)] (8) "Appraisal standards board (ASB)", the independent board of the**
51 **appraisal foundation which promulgates the generally accepted standards of the**
52 **appraisal profession and the uniform standards of professional appraisal**
53 **practices;**

54 **(9) "Appraiser", an individual who holds a license as a state-**
55 **licensed real estate appraiser or certification as a state-certified real**
56 **estate appraiser under sections 339.500 to 339.549;**

57 **(10) "Appraiser panel", a network of licensed or certified**
58 **appraisers that have:**

59 **(a) Responded to an invitation, request, or solicitation from an**

60 appraisal management company, in any form, to perform appraisals for
61 persons who have ordered appraisals through the appraisal
62 management company, or to perform appraisals for the appraisal
63 management company directly; and

64 (b) Been selected and approved by an appraisal management
65 company to perform appraisals for any client of the appraisal
66 management company, or to perform appraisals for the appraisal
67 management company directly;

68 [(6)] (11) "Appraiser qualifications board (AQB)", the independent board
69 of the appraisal foundation which establishes minimum experience, education and
70 examination criteria for state licensing of appraisers;

71 [(7)] (12) "Boat dock", a structure for loading and unloading boats and
72 connecting real property to water, public or private. A boat dock is real property
73 and has riparian rights, provided:

74 (a) The lender includes the boat dock as a fixture both in the lender's deed
75 of trust and a uniform commercial code fixture filing under section 400.9-502;

76 (b) The boat dock is attached to the real property by steel cable, bar, or
77 chain that is permanently imbedded in concrete or rock, and otherwise securely
78 attached to the dock; and

79 (c) The owner of the dock has riparian rights by means of real estate
80 rights bordering the body of water, including such rights by license, grant, or
81 other means allowing access to the body of water, which access may be seasonal
82 because the water may be reduced for electric power production or flood control;

83 [(8)] (13) "Boat slip" or "watercraft slip", a defined area of water,
84 including the riparian rights to use such area, whether by grant, lease, or license,
85 in accordance with all applicable laws and regulations, which is a part of a boat
86 dock serving a common interest community, including by way of example and not
87 of limitation condominiums and villas; and the exclusive right to such use being
88 allocated as a limited common element or being assigned to an owner of real
89 estate in the common interest community in which the boat dock is located,
90 whether by grant, lease, or otherwise. The rights of the real estate owner in such
91 slip are included as collateral in any deed of trust and uniform commercial code
92 filings of a lender, if any, taking a security interest in the owner's real estate;

93 [(9)] (14) "Broker price opinion", an opinion of value, prepared by a real
94 estate licensee for a fee, that includes, but is not limited to, analysis of competing
95 properties, comparable sold properties, recommended repairs and costs or
96 suggested marketing techniques. A broker price opinion is not an appraisal and
97 shall specifically state it is not an appraisal;

98 [(10)] **(15)** "Certificate", the document issued by the Missouri real estate
99 appraisers commission evidencing that the person named therein has satisfied the
100 requirements for certification as a state-certified real estate appraiser and
101 bearing a certificate number assigned by the commission;

102 [(11)] **(16)** "Certificate holder", a person certified by the commission
103 pursuant to the provisions of sections 339.500 to 339.549;

104 [(12)] **(17)** "Certified appraisal report", an appraisal prepared or signed
105 by a state-certified real estate appraiser. A certified appraisal report represents
106 to the public that it meets the appraisal standards defined in sections 339.500 to
107 339.549;

108 [(13)] **(18)** "Commission", the Missouri real estate appraisers commission,
109 created in section 339.507;

110 [(14)] **(19)** "Comparative market analysis", the analysis of sales of similar
111 recently sold properties in order to derive an indication of the probable sales price
112 of a particular property undertaken by a licensed real estate broker or agent, for
113 his or her principal. A comparative market analysis is not an appraisal and shall
114 specifically state it is not an appraisal;

115 **(20) "Controlling person":**

116 **(a) An owner, officer, or director of a corporation, partnership,**
117 **or other business entity seeking to offer appraisal management services**
118 **in this state;**

119 **(b) An individual employed, appointed, or authorized by an**
120 **appraisal management company that has the authority to enter into a**
121 **contractual relationship with other persons for the performance of**
122 **appraisal management services and has the authority to enter into**
123 **agreements with appraisers for the performance of appraisals; or**

124 **(c) An individual who possesses, directly or indirectly, the power**
125 **to direct or cause the direction of the management or policies of an**
126 **appraisal management company;**

127 [(15)] **(21)** "Disinterested third party" shall not exclude any
128 state-certified real estate appraiser or state-licensed real estate appraiser
129 employed or retained by any bank, savings association, credit union, mortgage
130 banker or other lender to perform appraisal assignments, provided that the
131 appraisal assignments are rendered with respect to loans to be extended by the
132 bank, savings association, credit union, mortgage banker or other lender, and
133 provided further that the state-certified real estate appraiser or state-licensed
134 real estate appraiser is not requested or required to report a predetermined
135 analysis or opinion of value;

136 [(16)] **(22)** "License" or "licensure", a license or licensure issued pursuant
137 to the provisions of sections 339.500 to 339.549 evidencing that the person **or**
138 **other legal entity** named therein has satisfied the requirements for licensure
139 as a state-licensed real estate appraiser **or licensed appraisal management**
140 **company** and bearing a license number assigned by the commission;

141 **(23)** "**Licensed appraisal management company**", a person **or**
142 **other legal entity who holds a current valid license as a licensed**
143 **appraisal management company under sections 339.500 to 339.549;**

144 [(17)] **(24)** "Real estate", an identified parcel or tract of land, including
145 improvements, if any;

146 [(18)] **(25)** "Real estate appraiser" or "appraiser", a person who for a fee
147 or valuable consideration develops and communicates real estate appraisals or
148 otherwise gives an opinion of the value of real estate or any interest therein;

149 [(19)] **(26)** "Real estate appraising", the practice of developing and
150 communicating real estate appraisals;

151 [(20)] **(27)** "Real property", the interests, benefits and rights inherent in
152 the ownership of real estate;

153 [(21)] **(28)** "Residential real estate", any parcel of real estate, improved
154 or unimproved, that is primarily residential in nature and that includes or is
155 intended to include a residential structure containing not more than four dwelling
156 units and no other improvements except those which are typical residential
157 improvements that support the residential use for the location and property type.
158 A residential unit is a condominium, town house or cooperative complex, or a
159 planned unit development is considered to be residential real
160 estate. Subdivisions are not considered residential real estate. Individual
161 parcels of property located within a residential subdivision shall be considered
162 residential property;

163 [(22)] **(29)** "Specialized appraisal services", appraisal services which do
164 not fall within the definition of appraisal assignment. The term "specialized
165 services" may include valuation work and analysis work. Regardless of the
166 intention of the client or employer, if the appraiser is acting as a disinterested
167 third party in rendering an unbiased analysis, opinion or conclusion, the work is
168 classified as an appraisal assignment and not specialized services;

169 **(30)** "**State-certified general appraiser trainee**", a person who
170 **holds a current valid certificate as a state-certified general appraiser**
171 **trainee issued under sections 339.500 to 339.539;**

172 [(23)] **(31)** "State-certified general real estate appraiser", a person who
173 holds a current, valid certificate as a state-certified general real estate appraiser

174 issued pursuant to the provisions of sections 339.500 to 339.549;

175 **(32) "State-certified residential appraiser trainee", a person who**
176 **holds a current valid certificate as a state-certified residential**
177 **appraiser trainee under sections 339.500 to 339.539;**

178 [(24)] **(33) "State-certified residential real estate appraiser", a person**
179 **who holds a current, valid certificate as a state-certified residential real estate**
180 **appraiser issued pursuant to the provisions of sections 339.500 to 339.549;**

181 **(34) "State-licensed appraiser trainee", a person who holds a**
182 **current valid license as a state-licensed appraiser trainee under**
183 **sections 339.500 to 339.549;**

184 [(25)] **(35) "State-licensed real estate appraiser", a person who holds a**
185 **current, valid license as a state-licensed real estate appraiser pursuant to the**
186 **provisions of sections 339.500 to 339.549;**

187 [(26)] **(36) "Subdivision", a tract of land that has been divided into blocks**
188 **or plots with streets, roadways, open areas and other facilities appropriate to its**
189 **development as residential, commercial or industrial sites;**

190 [(27)] **(37) "Temporary appraiser licensure or certification", the issuance**
191 **of a temporary license or certificate by the commission to a person licensed or**
192 **certified in another state who enters this state for the purpose of completing a**
193 **particular appraisal assignment.**

339.505. 1. It shall be unlawful for any person in this state to assume or
2 use the title "state-licensed real estate appraiser" or "state-certified real estate
3 appraiser", or any title, designation or abbreviation likely to create the
4 impression of licensure or certification by the state of Missouri as a real estate
5 appraiser, unless the person has first been licensed or certified by the Missouri
6 real estate appraisers commission pursuant to the provisions of sections 339.500
7 to 339.549. The commission may adopt for the exclusive use of persons licensed
8 or certified pursuant to sections 339.500 to 339.549, a seal, symbol or other mark
9 identifying the user as a state-licensed or state-certified real estate appraiser.

10 2. Any person certified as a real estate appraiser by an appraisal trade
11 organization, on August 28, 1998, shall retain the right to use the term "certified"
12 or any similar term in identifying himself or herself to the public; provided that,
13 in each instance wherein such term is used, the name of the certifying
14 organization or body is prominently and conspicuously displayed immediately
15 adjacent to such term, and provided further that the use of such term does not
16 create the impression of certification by the state of Missouri. Nothing in this
17 section shall entitle any person certified only by a trade organization, and not
18 certified or licensed by the state, the right to conduct any appraisal.

19 3. The term "state-licensed real estate appraiser", "state-certified real
20 estate appraiser" or any similar term shall not be used following or immediately
21 in connection with the name of a partnership, association, corporation or other
22 firm or group or in such manner that it might create the impression of licensure
23 or certification by the state of Missouri as a real estate appraiser.

24 4. **No person shall, directly or indirectly, engage or attempt to**
25 **engage in the business as an appraisal management company, to**
26 **directly or indirectly engage or attempt to perform appraisal**
27 **management services, or to advertise or hold itself out as engaging in**
28 **or conducting business as an appraisal management company without**
29 **first obtaining a registration issued by the commission under sections**
30 **339.500 to 339.549; except for:**

31 (1) **The performance of services as an appraisal firm;**

32 (2) **A national or state bank, federal or state savings institution,**
33 **or credit union that is subject to direct regulation or supervision by an**
34 **agency of the United States government, or by the Missouri department**
35 **of insurance, financial institutions and professional registration, that**
36 **receives a request for the performance of an appraisal from one**
37 **employee of the financial institution, and another employee of the same**
38 **financial institution assigns the request for the appraisal to an**
39 **appraiser who is an independent contractor to the institution;**

40 (3) **An appraisal management company that is a subsidiary**
41 **owned and controlled by a financial institution and regulated by a**
42 **federal institution regulatory agency;**

43 (4) **An appraiser that enters into an agreement, whether written**
44 **or otherwise, with an appraiser for the performance of an appraisal,**
45 **and upon the completion of the appraisal, the report of the appraiser**
46 **performing the appraisal is signed by both the appraiser who**
47 **completed the appraisal and the appraiser who requested the**
48 **completion of the appraisal;**

49 (5) **A state agency or local municipality that orders appraisals**
50 **for ad valorem tax purposes or any other business on behalf of the state**
51 **of Missouri;**

52 (6) **Any person licensed to practice law in this state, a**
53 **court-appointed personal representative, or a trustee who orders an**
54 **appraisal in connection with a bona fide client relationship when such**
55 **person directly contracts with an independent appraiser.**

339.509. The commission shall have the following powers and duties:

2 (1) To establish educational programs and research projects related to the
3 appraisal of real estate;

4 (2) To establish administrative procedures for processing applications and
5 issuing **trainee licenses**, certificates of state-certified real estate appraisers
6 [and], licenses of state-licensed real estate appraisers, **and licenses of**
7 **appraisal management companies**, and for conducting disciplinary
8 proceedings pursuant to the provisions of sections 339.500 to 339.549 **or as**
9 **required by federal law or regulation**; and shall have authority to determine
10 who meets the criteria for certification and licensure, and shall have authority to
11 renew, censure, suspend or revoke certifications and licenses;

12 (3) To further define by regulation, with respect to each category of
13 **trainee**, state-certified real estate appraiser, and for state-licensed real estate
14 appraisers **and for appraisal management companies**, the type of
15 educational experience, appraisal experience and equivalent experience, **and**
16 **other criteria** that will meet the statutory requirements of sections 339.500 to
17 339.549 **or as required by federal law or regulation**; provided that such
18 standards shall be equivalent to the minimum criteria for certification and
19 licensure issued by the appraiser qualifications board of the appraisal foundation
20 and the provisions of section 339.517 **or as required by federal law or**
21 **regulation**;

22 (4) To further define by regulation, with respect to each category of
23 **trainee**, state-certified real estate appraiser, and for state-licensed real estate
24 appraisers, the continuing education requirements for the renewal of certification
25 and licensure that will meet the statutory requirements provided in section
26 339.530 **or as required by federal law or regulation**;

27 (5) To adopt standards for the development and communication of real
28 estate appraisals and to adopt regulations explaining and interpreting the
29 standards; provided that such standards shall meet the standards specified by the
30 appraisal standards board of the appraisal foundation **or as required by**
31 **federal law or regulation**;

32 (6) To establish an examination for each category of state-certified real
33 estate appraiser, and for state-licensed real estate appraisers, to provide or
34 procure appropriate examination questions and answers, and to establish
35 procedures for grading examinations; provided that such standards for
36 examinations for certification shall meet the minimum criteria specified by the
37 appraiser qualifications board of the appraisal foundation **or as required by**
38 **federal law or regulation**;

39 (7) To maintain a registry of the names and addresses of **trainees**,

40 state-certified real estate appraisers [and], state-licensed real estate appraisers,
41 **and appraisal management companies; [and]**

42 (8) To perform such other functions and duties as may be necessary to
43 carry out the provisions of sections 339.500 to 339.549 **or to comply with the**
44 **requirements of federal law or regulation; and**

45 (9) **To establish by rule the standards of practice for appraisal**
46 **management companies.**

339.511. 1. There shall be [three] **six** classes of licensure for individuals
2 including:

3 (1) [State licensed real estate appraiser] **State-licensed appraiser**
4 **trainee;**

5 (2) [Certified residential real estate appraiser; and] **State-licensed real**
6 **estate appraiser;**

7 (3) [Certified general real estate appraiser] **State-certified residential**
8 **appraiser trainee;**

9 (4) **State-certified residential real estate appraiser;**

10 (5) **State-certified general appraiser trainee; and**

11 (6) **State-certified general real estate appraiser.**

12 2. **There shall be one class of license for appraisal management**
13 **companies.**

14 3. Persons desiring to obtain licensure as a **state-licensed appraiser**
15 **trainee**, state-licensed real estate appraiser [or], **state-certified residential**
16 **appraiser trainee**, certification as a [certified] **state-certified residential real**
17 **estate appraiser, state-certified general appraiser trainee**, or [certified]
18 **state-certified** general real estate appraiser shall make written application to
19 the commission on such forms as are prescribed by the commission setting forth
20 the applicant's qualifications for licensure or certification and present to the
21 commission satisfactory proof that the person is of good moral character and
22 bears a good reputation for honesty, integrity and fair dealing.

23 [3.] 4. Each applicant for licensure as a **state-licensed appraiser**
24 **trainee**, state-licensed real estate appraiser, **a state-certified residential**
25 **appraiser trainee**, a state-certified residential real estate appraiser, **a state-**
26 **certified general appraiser trainee**, or a state-certified general real estate
27 appraiser shall have demonstrated the knowledge and competence necessary to
28 perform appraisals of residential and other real estate as the commission may
29 prescribe by rule not inconsistent with any requirements imposed by the
30 appraiser qualifications board. The commission shall prescribe by rule
31 procedures for obtaining and maintaining approved courses of instruction. The

32 commission shall, also, prescribe the hours of training in real estate appraisal
33 practices and the minimum level of experience acceptable for licensure or
34 certification.

35 [4.] 5. Persons who receive certification after March 30, 1991, or who
36 have a state license or certificate to engage in business as a real estate appraiser
37 issued by the commission, shall receive the same license or certificate from the
38 commission as such persons are currently holding without further education,
39 experience, examination or application fee, but shall be required to meet all
40 continuing education requirements prescribed by the commission.

41 **6. Appraisal management companies desiring to obtain licensure**
42 **shall:**

43 (1) **Make application to the commission on such forms as are**
44 **prescribed by the commission setting forth the applicant's**
45 **qualifications for licensure;**

46 (2) **Remit the fee or fees as established by rule;**

47 (3) **Post with the commission and maintain on renewal a surety**
48 **bond in the amount of twenty thousand dollars as further promulgated**
49 **by rule; and**

50 (4) **Submit to the commission satisfactory proof that any**
51 **controlling person, defined in section 339.503, is of good moral**
52 **character and bears a good reputation for honesty, integrity, and fair**
53 **dealing.**

339.513. 1. Applications for examination, original certification and
2 licensure, and renewal certification and licensure shall be made in writing to the
3 commission on forms provided by the commission. The application shall specify
4 the classification of certification, or licensure, for which application is being
5 made.

6 2. Appropriate fees shall accompany all applications for examination,
7 original certification or licensure, and renewal certification or licensure; provided
8 that such fees shall be in amounts set by the commission in order to offset the
9 cost and expense of administering sections 339.500 to 339.549, and in amounts
10 to be determined by the commission with reference to the requirements of Section
11 1109 of the United States Public Law 101-73, as later codified and as may be
12 amended. All fees collected pursuant to this subsection shall be collected by the
13 commission and deposited with the state treasurer into a fund to be known as the
14 "Missouri Real Estate Appraisers **and Appraisal Management Company**
15 **Fund**". The provisions of section 33.080 to the contrary notwithstanding, money
16 in this fund shall not be transferred and placed to the credit of general revenue

17 until the amount in the fund at the end of the biennium exceeds two times the
18 amount of the appropriation from the board's funds for the preceding fiscal year
19 or, if the board requires by rule permit renewal less frequently than yearly, then
20 three times the appropriation from the board's funds for the preceding fiscal
21 year. The amount, if any, in the fund which shall lapse is that amount in the
22 fund which exceeds the appropriate multiple of the appropriations from the
23 board's funds for the preceding fiscal year. In any proceeding in which a remedy
24 provided by subsection 1 or 2 of section 339.532 is imposed, the commission may
25 also require the respondent licensee to pay the costs of the proceeding if the
26 commission is a prevailing party or in settlement. The moneys shall be placed
27 in the state treasury to the credit of the Missouri real estate appraisers fund.

28 3. At the time of filing an application for certification or licensure, each
29 applicant shall sign a pledge to comply with the standards set forth in sections
30 339.500 to 339.549 and state that he or she understands the types of misconduct
31 for which disciplinary proceedings may be initiated [against a state-certified real
32 estate appraiser or a state-licensed real estate appraiser].

339.515. 1. An original certification as a state-certified real estate
2 appraiser may be issued to any person who meets the qualification requirements
3 for certification and who has achieved a passing grade on a written examination
4 which is consistent with and equivalent to the uniform state certification
5 examination issued or endorsed by the appraiser qualifications board of the
6 appraisal foundation and the commission.

7 2. An original license as a state-licensed real estate appraiser may be
8 issued to any person who meets the qualification requirements for licensure and
9 who has achieved a passing grade on a written examination which is consistent
10 with and equivalent to the uniform state licensure examination issued or
11 endorsed by the appraiser qualifications board of the appraisal foundation and
12 the commission.

13 3. If an applicant, **other than an appraisal management company**,
14 is not certified or licensed within two years after passing an examination given
15 pursuant to the provisions of this section, he or she shall be required to retake
16 the examination prior to certification or licensure.

17 4. An applicant, **other than an appraisal management company**,
18 who has failed an examination taken pursuant to this section may apply for
19 reexamination by submitting an application with the appropriate examination fee
20 within ninety days after the date of having last taken and failed the examination.

339.517. 1. Any person who files with the commission an application for
2 state licensure or certification as a real estate appraiser shall be required to pass

3 an examination to demonstrate his or her competence. The commission shall,
4 also, make such investigation as is required to verify such qualifications. If the
5 results of the investigation are satisfactory to the commission and the applicant
6 is otherwise qualified, then the commission shall issue to the applicant a license
7 or certificate authorizing the applicant to act as a state-licensed real estate
8 appraiser or a state-certified real estate appraiser in Missouri. If the results of
9 the investigation are unsatisfactory, action on the application may be deferred
10 pending a hearing before the real estate appraisal commission.

11 2. The commission shall promulgate and adopt regulations which
12 prescribe and define the subjects related to real estate appraisal and the
13 experience in real estate appraisal that will satisfy the qualification requirements
14 for licensure or certification. The commission may approve courses of instruction
15 in an accredited college or university relating to the appraisal of real estate and
16 related disciplines including, but not limited to, economics, finance, statistics,
17 principles of capitalization, real estate and such other areas deemed relevant by
18 the commission. The commission may also approve similar courses of instruction
19 offered by recognized professional appraisal organizations and real estate
20 organizations and agencies of the state and federal government, and other
21 qualified providers which may be approved by the commission. The commission
22 may require by rule that some or all of an applicant's qualifying experience in
23 real estate appraising be obtained on appraisals of real estate located in this
24 state.

25 3. Each applicant for certification or licensure, **except for appraisal**
26 **management companies**, shall furnish under oath a detailed statement of the
27 real estate appraisal assignments or file memoranda for each year in which real
28 estate appraisal experience is claimed by the applicant. Upon request, the
29 applicant shall furnish to the commission a sample of appraisal reports or file
30 memoranda which the applicant has prepared in the course of his or her
31 appraisal practice.

32 4. Any rule or portion of a rule, as that term is defined in section 536.010,
33 that is created under the authority delegated in this section shall become effective
34 only if it complies with and is subject to all of the provisions of chapter 536 and,
35 if applicable, section 536.028. This section and chapter 536 are nonseverable and
36 if any of the powers vested with the general assembly pursuant to chapter 536 to
37 review, to delay the effective date or to disapprove and annul a rule are
38 subsequently held unconstitutional, then the grant of rulemaking authority and
39 any rule proposed or adopted after August 28, 2003, shall be invalid and void.

339.525. 1. To obtain a renewal certificate or license, a state certified real

2 estate appraiser or state licensed real estate appraiser shall make application
3 and pay the prescribed fee to the commission not earlier than one hundred twenty
4 days nor later than thirty days prior to the expiration date of the certificate or
5 license then held. With the application for renewal, the state certified real estate
6 appraiser or state licensed real estate appraiser shall present evidence in the
7 form prescribed by the commission of having completed the continuing education
8 requirements for renewal specified in section 339.530.

9 2. [If the commission determines that a state certified real estate
10 appraiser or state licensed real estate appraiser has failed to meet the
11 requirements for renewal of certification or licensure through mistake,
12 misunderstanding, or circumstances beyond the appraiser's control, the
13 commission may extend the term of the certificate or license for good cause shown
14 for a period not to exceed six months, upon payment of a prescribed fee for the
15 extension.

16 3.] If a person is otherwise eligible to renew the person's certification or
17 license, the person may renew an expired certification or license within two years
18 from the date of expiration. To renew such expired certification or license, the
19 person shall submit an application for renewal, pay the renewal fee, pay a
20 delinquent renewal fee as established by the commission, and present evidence
21 in the form prescribed by the commission of having completed the continuing
22 education requirements for renewal specified in section 339.530. Upon a finding
23 of extenuating circumstances, the commission may waive the payment of the
24 delinquent fee.

25 [4.] 3. If a person has failed to renew the person's license within two
26 years of its expiration, the license shall be void.

27 [5.] 4. The commission is authorized to issue an inactive certificate or
28 license to [any licensee] **a state-certified real estate appraiser or a state-**
29 **licensed real estate appraiser** who makes written application for such on a
30 form provided by the commission and remits the fee for an inactive certificate or
31 license established by the commission. An inactive certificate or license may be
32 issued only to a person who has previously been issued a certificate or license to
33 practice as a real estate appraiser in this state, who is no longer regularly
34 engaged in such practice, and who does not hold himself or herself out to the
35 public as being professionally engaged in such practice in this state. Each
36 inactive certificate or license shall be subject to all provisions of this chapter,
37 except as otherwise specifically provided. Each inactive certificate or license may
38 be renewed by the commission subject to all provisions of this section and all
39 other provisions of this chapter. An inactive licensee may apply for a certificate

40 or license to regularly engage in the practice of real estate appraising upon filing
41 a written application on a form provided by the commission, submitting the
42 reactivation fee established by the commission and submitting satisfactory proof
43 of current competency as established by the commission.

44 **5. To obtain a renewal license, an appraisal management**
45 **company shall make application on a form prescribed by the**
46 **commission and pay the prescribed fee.**

47 **6. To obtain a renewal license, a state-licensed appraiser trainee,**
48 **state-certified residential appraiser trainee, or state-certified general**
49 **appraiser trainee shall request an extension in writing at least thirty**
50 **days prior to the expiration date as required by rule.**

339.527. 1. [A certificate or license issued pursuant to sections 339.500
2 to 339.549 shall bear the signature or facsimile signature of the chairman of the
3 commission and a certificate or license number assigned by the commission.

4 2.] A state-certified real estate appraiser may designate or identify an
5 appraisal report rendered by him or her as a certified appraisal for the type of
6 property included in his or her certification.

7 [3.] 2. Each state-certified real estate appraiser or state-licensed real
8 estate appraiser shall place the certificate or license number adjacent to or
9 immediately below the designation "Missouri State-certified (Residential/General)
10 Real Estate Appraiser" or "Missouri State-licensed Real Estate Appraiser" when
11 used in an appraisal report or in a contract or other instrument used by the
12 holder of the certificate or license in conducting an appraisal assignment or
13 specialized appraisal services. **A state-licensed real estate appraiser**
14 **trainee, state-certified residential appraiser trainee, and state-certified**
15 **general appraiser trainee shall place his or her license number**
16 **adjacent to or immediately below the title "state-licensed appraiser**
17 **trainee", "state-certified residential appraiser trainee", or "state-**
18 **certified general appraiser trainee".**

19 **3. Each appraisal management company shall be required to**
20 **disclose its license number on each engagement letter utilized in**
21 **assigning an appraisal request for real estate appraisal assignments**
22 **within the state of Missouri.**

23 4. The terms "Missouri State-certified (Residential/General) Real Estate
24 Appraiser" [and], "Missouri State-licensed Real Estate Appraiser", "**Missouri**
25 **State-licensed Appraiser Trainee**", "**Missouri State-certified Residential**
26 **Appraiser Trainee**", and "**Missouri State-certified General Appraiser**
27 **Trainee**" may only be used to refer to individuals who hold a certificate or

28 license and may not be used following or immediately in connection with the
29 name or signature of a firm, partnership, corporation, or group or in such manner
30 that it might be interpreted as referring to certification or licensure of the firm,
31 partnership, corporation, group, or to certification or licensure of anyone other
32 than an individual holder of the certificate or license.

33 **5. Except for licensed appraisal management companies,** a
34 certificate or license shall be issued pursuant to sections 339.500 to 339.549 only
35 to a natural person. However, nothing in this section shall preclude a
36 state-certified real estate appraiser or state-licensed real estate appraiser from
37 rendering appraisals for or on behalf of a corporation, partnership or association,
38 provided that the appraisal report is prepared by, or under the immediate
39 direction of, a state-certified real estate appraiser or state-licensed real estate
40 appraiser, and further provided that the appraisal report is signed by the
41 state-certified real estate appraiser or state-licensed real estate appraiser.

339.529. 1. Each state-certified real estate appraiser, **state-certified**
2 **appraiser trainee, state-licensed appraiser trainee,** and state-licensed real
3 estate appraiser shall advise the commission of the address of his or her principal
4 place of residence, business and all other addresses at which he or she is
5 currently engaged in the business of preparing real property appraisal reports.

6 2. Whenever a state-certified real estate appraiser, **state-certified**
7 **appraiser trainee, state-licensed appraiser trainee,** or state-licensed real
8 estate appraiser changes the location of his or her place of business, he or she
9 shall amend the certificate or license issued by the commission to reflect the
10 change and shall give written notification of the change to the commission within
11 thirty working days of the change.

12 3. Whenever a state-certified real estate appraiser or state-licensed real
13 estate appraiser changes the location of his or her residence, he or she shall
14 notify the commission of the new residence address within thirty working days
15 of the change.

16 **4. Each appraisal management company shall notify the**
17 **commission within thirty days of a change in its controlling person,**
18 **agent of record, ownership composition, or address.**

339.532. 1. The commission may refuse to issue or renew any certificate
2 or license issued pursuant to sections 339.500 to 339.549 for one or any
3 combination of causes stated in subsection 2 of this section. The commission
4 shall notify the applicant in writing of the reasons for the refusal and shall advise
5 the applicant of the right to file a complaint with the administrative hearing
6 commission as provided by chapter 621.

7 2. The commission may cause a complaint to be filed with the
8 administrative hearing commission as provided by chapter 621 against any
9 state-certified real estate appraiser, state-licensed real estate appraiser, **state-**
10 **licensed appraiser trainee, state-certified residential appraiser trainee,**
11 **state-certified general appraiser trainee, state-licensed appraisal**
12 **management company that is a legal entity other than a natural person,**
13 **any person who is a controlling person as defined in this chapter,** or any
14 person who has failed to renew or has surrendered his or her certificate or license
15 for any one or any combination of the following causes:

16 (1) Procuring or attempting to procure a certificate or license pursuant to
17 section 339.513 by knowingly making a false statement, submitting false
18 information, refusing to provide complete information in response to a question
19 in an application for certification or licensure, or through any form of fraud or
20 misrepresentation;

21 (2) Failing to meet the minimum qualifications for certification or
22 licensure or renewal established by sections 339.500 to 339.549;

23 (3) Paying money or other valuable consideration, other than as provided
24 for by section 339.513, to any member or employee of the commission to procure
25 a certificate or license pursuant to sections 339.500 to 339.549;

26 (4) The person has been finally adjudicated and found guilty, or entered
27 a plea of guilty or nolo contendere, in a criminal prosecution under the laws of
28 any state or the United States, for any offense reasonably related to the
29 qualifications, functions or duties of any profession licensed or regulated
30 pursuant to sections 339.500 to 339.549 for any offense of which an essential
31 element is fraud, dishonesty or an act of violence, or for any offense involving
32 moral turpitude, whether or not sentence is imposed;

33 (5) Incompetency, misconduct, gross negligence, dishonesty, fraud, or
34 misrepresentation in the performance of the functions or duties of any profession
35 licensed or regulated by sections 339.500 to 339.549;

36 (6) Violation of any of the standards for the development or
37 communication of real estate appraisals as provided in or pursuant to sections
38 339.500 to 339.549;

39 (7) Failure to comply with the Uniform Standards of Professional
40 Appraisal Practice promulgated by the appraisal standards board of the appraisal
41 foundation;

42 (8) Failure or refusal without good cause to exercise reasonable diligence
43 in developing an appraisal, preparing an appraisal report, or communicating an
44 appraisal;

45 (9) Negligence or incompetence in developing an appraisal, in preparing
46 an appraisal report, or in communicating an appraisal;

47 (10) Violating, assisting or enabling any person to willfully disregard any
48 of the provisions of sections 339.500 to 339.549 or the regulations of the
49 commission for the administration and enforcement of the provisions of sections
50 339.500 to 339.549;

51 (11) Accepting an appraisal assignment when the employment itself is
52 contingent upon the appraiser's reporting a predetermined analysis or opinion or
53 where the fee to be paid for the performance of the appraisal assignment is
54 contingent upon the opinion, conclusion, or valuation reached or upon the
55 consequences resulting from the appraisal assignment;

56 (12) Violating the confidential nature of governmental records to which
57 the person gained access through employment or engagement to perform an
58 appraisal assignment or specialized appraisal services for a governmental agency;

59 (13) Violating any term or condition of a certificate or license issued by
60 the commission pursuant to the authority of sections 339.500 to 339.549;

61 (14) Violation of any professional trust or confidence;

62 (15) Obtaining or attempting to obtain any fee, charge, tuition or other
63 compensation by fraud, deception or misrepresentation;

64 (16) Assisting or enabling any person to practice or offer to practice any
65 profession licensed or regulated by sections 339.500 to 339.549 who is not licensed
66 or certified and currently eligible to practice pursuant to sections 339.500 to
67 339.549;

68 (17) Use of any advertisement or solicitation which is false, misleading or
69 deceptive to the general public or persons to whom the advertisement or
70 solicitation is primarily directed;

71 (18) Disciplinary action against the holder of a license, certificate or other
72 right to practice any profession regulated pursuant to sections 339.500 to 339.549,
73 imposed by another state, territory, federal agency or country upon grounds for
74 which revocation or suspension is authorized in this state;

75 (19) Making any material misstatement, misrepresentation, or omission
76 with regard to any application for licensure or certification, or for license or
77 certification renewal. As used in this section, "material" means important
78 information about which the commission should be informed and which may
79 influence a licensing decision;

80 (20) Engaging in or committing, or assisting any person in engaging in or
81 committing, any practice or act of mortgage fraud, as defined in section 443.930;

82 **(21) Influencing or attempting to influence the development,**

83 **reporting, or review of an appraisal through coercion, extortion,**
84 **collusion, compensation, instruction, inducement, intimidation, or**
85 **bribery.**

86 3. After the filing of such complaint, the proceedings shall be conducted
87 in accordance with the provisions of chapter 621. Upon a finding by the
88 administrative hearing commission that the grounds, provided in subsection 2 of
89 this section, for disciplinary action are met, the commission may, singly or in
90 combination, publicly censure or place the person named in the complaint on
91 probation on such terms and conditions as the commission deems appropriate for
92 a period not to exceed five years, or may suspend, for a period not to exceed three
93 years, or revoke, the certificate or license. The holder of a certificate or license,
94 **or the legal entity and any controlling person in the case of an**
95 **appraisal management company**, revoked pursuant to this section may not
96 obtain certification as a state-certified real estate appraiser [or], licensure as a
97 state-licensed real estate appraiser, **or licensure as an appraisal**
98 **management company** for at least five years after the date of revocation.

99 4. Notwithstanding other provisions of this section, a real estate appraiser
100 license or certification **or an appraisal management company license** shall
101 be revoked, or in the case of an applicant, shall not be issued, if the licensee or
102 applicant, **or any controlling person in the case of an appraisal**
103 **management company**, has pleaded guilty to, entered a plea of nolo contendere
104 to, or been found guilty of mortgage fraud as defined in section 570.310. The
105 commission shall notify the individual **or legal entity** of the reasons for the
106 revocation in writing, by certified mail.

107 5. A person, **or the legal entity or controlling person in the case**
108 **of an appraisal management company**, whose license is revoked under
109 subsection 4 of this section may appeal such revocation to the administrative
110 hearing commission, as provided by chapter 621, within ninety days from the time
111 the commission mails the notice of revocation. A person who fails to do so waives
112 all rights to appeal the revocation.

113 6. A certification of a state-certified real estate appraiser [or], a license
114 of a state-licensed real estate appraiser, **or a license of an appraisal**
115 **management company** that has been suspended as a result of disciplinary
116 action by the commission shall not be reinstated, and a person, **controlling**
117 **person, or legal entity** may not obtain certification as a state-certified real
118 estate appraiser [or], licensure as a state-licensed real estate appraiser, **or**
119 **licensure as an appraisal management company** subsequent to revocation,
120 unless the applicant presents evidence of completion of the continuing education

121 required by section 339.530 during the period of suspension or revocation as well
122 as fulfillment of any other conditions imposed by the commission. Applicants for
123 recertification, relicensure or reinstatement also shall be required to successfully
124 complete the examination for original certification or licensure required by section
125 339.515 as a condition to reinstatement of certification or licensure, or
126 recertification or relicensure subsequent to revocation.

339.533. 1. The chairperson of the commission may administer oaths,
2 issue subpoenas, and issue subpoenas duces tecum requiring the production of
3 documents and records. Subpoenas and subpoenas duces tecum shall be served
4 by a person authorized to serve subpoenas of courts of record. In lieu of requiring
5 attendance of a person, **controlling person, or other legal entity** to produce
6 original documents in response to a subpoena duces tecum, the commission may
7 require sworn copies of such documents to be filed with it or delivered to its
8 designated representative.

9 2. The commission may enforce its subpoenas and subpoenas duces tecum
10 by applying to the circuit court of Cole County; the county of the investigation,
11 hearing, or proceeding; or any county where the person, **controlling person, or**
12 **other legal entity** subpoenaed resides or may be found for an order to show
13 cause why such subpoena should not be enforced, such order and a copy of the
14 application therefor to be served upon the person in the same manner as a
15 summons in a civil action, and if the circuit court shall, after a hearing,
16 determine that the subpoena should be sustained and enforced, such court shall
17 proceed to enforce the subpoena in the same manner as though the subpoena had
18 been issued in a civil case in the circuit court.

339.535. [State certified] **State-certified** real estate appraisers [and
2 state licensed], **state-licensed** real estate appraisers, **state-licensed**
3 **appraiser trainees, and state-certified appraiser trainees** shall comply
4 with the Uniform Standards of Professional Appraisal Practice promulgated by
5 the appraisal standards board of the appraisal foundation.

339.537. 1. State-certified real estate appraisers and state licensed real
2 estate appraisers shall retain originals or true copies of contracts engaging an
3 appraiser's services for appraisal assignments, specialized appraisal services,
4 appraisal reports, and supporting data assembled and formulated in preparing
5 appraisal reports, for five years. The period for retention of the records
6 applicable to each engagement of the services of the state-certified real estate
7 appraiser or state-licensed real estate appraiser shall run from the date of the
8 submission of the appraisal report to the client. Upon requests by the
9 commission, these records shall be made available by the state-certified real

10 estate appraiser or state-licensed real estate appraiser for inspection and copying
11 at his or her expense, by the commission on reasonable notice to the
12 state-certified real estate appraiser or state-licensed real estate appraiser. When
13 litigation is contemplated at any time, reports and records shall be retained for
14 two years after the final disposition.

15 **2. All appraisal management company records shall be retained**
16 **by the appraisal management company for five years. Upon request by**
17 **the commission, such records shall promptly be made available to the**
18 **commission for inspection and copying at the expense of the appraisal**
19 **management company.**

339.541. 1. It shall be a class B misdemeanor for any person to practice
2 any deception or fraud with respect to his **or her** identity in connection with an
3 application for certification or licensure or in the taking of an examination for
4 certification as a state certified real estate appraiser or licensure as a state
5 licensed real estate appraiser or by holding himself **or herself** out to any
6 member of the public or representing himself **or herself** as a state certified real
7 estate appraiser or a state licensed real estate appraiser when, in fact, he **or she**
8 is not so.

9 **2. It shall be a class B misdemeanor for any corporation,**
10 **business, or controlling person to practice any deception or fraud in its**
11 **identity in connection with an application or holding out to any**
12 **member of the public or representation as a licensed appraisal**
13 **management company when in fact it is not so.**

339.543. 1. If the commission believes that an appraiser, **business,**
2 **corporation, or controlling person** has engaged in, is engaging in, or has
3 willfully taken a substantial step toward engaging in an act, practice, omission,
4 or course of business constituting mortgage fraud, as defined in section 443.930,
5 or that a person, **business, corporation, or controlling person** has
6 materially aided or is materially aiding any such act, practice, omission, or course
7 of business, the commission may maintain an action in the circuit court of any
8 county of the state or any city not within a county to enjoin the person, **business,**
9 **corporation, or controlling person.** Upon a proper showing, the court may
10 issue a permanent or temporary injunction, restraining order, or declaratory
11 judgment.

12 **2. The court may impose a civil penalty against the person, business,**
13 **corporation, or controlling person** not to exceed two thousand five hundred
14 dollars for each violation and may grant any other relief the court determines is
15 just and proper in the circumstances including, but not limited to, a temporary

16 suspension of any license issued by the commission.

17 3. The commission may initiate an investigation and take all measures
18 necessary to find the facts of any potential violation of this section, including
19 issuing subpoenas to compel the attendance and testimony of witnesses and the
20 production of documents and other evidence. The commission may conduct joint
21 investigations, enter into confidentiality agreements, and share information
22 obtained relating to an investigation under this section with other governmental
23 agencies.

24 4. The enforcement authority of the commission under this section is
25 cumulative to any other statutory authority of the commission.

339.545. 1. The commission shall take such action as is necessary to be
2 able to issue general certificates, residential certificates and licenses to qualified
3 persons.

4 **2. The commission shall take action as is necessary to be able to**
5 **issue licenses to qualified applicants seeking licensure as an appraisal**
6 **management company.**

339.549. 1. It is unlawful for any person, **business, corporation, or**
2 **controlling person** not certified or licensed pursuant to sections 339.500 to
3 339.549 to perform any act for which certification or licensure is required. Upon
4 application by the commission, and the necessary burden having been met, a
5 court may grant an injunction, restraining order or other order as may be
6 appropriate to enjoin a person, **business, corporation, or controlling person**
7 from:

8 (1) Offering to engage or engaging in the performance of any acts or
9 practices for which a certificate or license is required by sections 339.500 to
10 339.549 upon a showing that such acts or practices were performed or offered to
11 be performed without a certificate or license; or

12 (2) Engaging in any practice or business authorized by a certificate or
13 license issued pursuant to sections 339.500 to 339.549 upon a showing that the
14 holder presents a substantial probability of serious danger to the health, safety
15 or welfare of any resident of this state or client of the certificate holder or
16 licensee.

17 2. Any such action shall be commenced in the county in which such
18 conduct occurred or in the county in which the defendant resides.

19 3. Any actions brought pursuant to this section shall be in addition to and
20 not in lieu of any penalty provided by sections 339.500 to 339.549 and may be
21 brought concurrently with other actions to enforce the provisions of this chapter.

339.1115. Sections 339.1100 to 339.1240 shall not apply to:

- 2 (1) The performance of services as an appraisal firm;
- 3 (2) A national or state bank, federal or state savings institution, or credit
4 union that is subject to direct regulation or supervision by an agency of the
5 United States government, or by the department of insurance, financial
6 institutions or professional registration, that receives a request for the
7 performance of an appraisal from one employee of the financial institution, and
8 another employee of the same financial institution assigns the request for the
9 appraisal to an appraiser who is an independent contractor to the institution[. An
10 entity exempt as provided in this subdivision shall file a notice with the
11 commission containing the information required in section 339.1110];
- 12 (3) An appraiser that enters into an agreement, whether written or
13 otherwise, with an appraiser for the performance of an appraisal, and upon the
14 completion of the appraisal, the report of the appraiser performing the appraisal
15 is signed by both the appraiser who completed the appraisal and the appraiser
16 who requested the completion of the appraisal;
- 17 (4) A state agency or local municipality that orders appraisals for ad
18 valorem tax purposes or any other business on behalf of the state of Missouri;
- 19 (5) Any person licensed to practice law in this state, a court-appointed
20 personal representative, or a trustee who orders an appraisal in connection with
21 a bona fide client relationship when such person directly contracts with an
22 independent appraiser.

362.333. In addition to the powers authorized in section 362.332, a bank
2 or trust company [with authorized trust authority and created under the laws of
3 this state] **created under the laws of this or any other state or national**
4 **bank, with authorized trust authority** may transfer by assignment, for
5 consideration or no consideration, some or all of its fiduciary obligations that
6 consist only of irrevocable life insurance trusts to [the Missouri trust office of an
7 out-of-state bank with trust powers or an out-of-state trust company] **any bank**
8 **or trust company with authorized trust authority**. The transfer of such
9 irrevocable life insurance trusts shall be subject to the provisions of this section
10 and to all regulatory procedures described in subsections 2 to 7 of section 362.332.
11 On the effective date of the transfer of fiduciary obligations under this section,
12 the transferring bank or trust company shall be released from all transferred
13 fiduciary obligations and shall cease to act as a fiduciary, except that such
14 transferring bank or trust company shall not be relieved of any obligations
15 arising out of a breach of fiduciary duty occurring prior to such effective date.

400.9-311. (a) Except as otherwise provided in subsection (d), the filing
2 of a financing statement is not necessary or effective to perfect a security interest

3 in property subject to:

4 (1) A statute, regulation, or treaty of the United States whose
5 requirements for a security interest's obtaining priority over the rights of a lien
6 creditor with respect to the property preempt section 400.9-310(a);

7 (2) Sections 301.600 to 301.661, section 700.350, and section 400.2A-304;
8 or

9 (3) A certificate-of-title statute of another jurisdiction which provides for
10 a security interest to be indicated on the certificate as a condition or result of the
11 security interest's obtaining priority over the rights of a lien creditor with respect
12 to the property.

13 (b) Compliance with the requirements of a statute, regulation, or treaty
14 described in subsection (a) for obtaining priority over the rights of a lien creditor
15 is equivalent to the filing of a financing statement under this article. Except as
16 otherwise provided in subsection (d) and sections 400.9-313 and 400.9-316(d) and
17 (e) for goods covered by a certificate of title, a security interest in property subject
18 to a statute, regulation, or treaty described in subsection (a) may be perfected
19 only by compliance with those requirements, and a security interest so perfected
20 remains perfected notwithstanding a change in the use or transfer of possession
21 of the collateral.

22 (c) Except as otherwise provided in subsection (d) and section 400.9-316(d)
23 and (e), duration and renewal of perfection of a security interest perfected by
24 compliance with the requirements prescribed by a statute, regulation, or treaty
25 described in subsection (a) are governed by the statute, regulation, or treaty. In
26 other respects, the security interest is subject to this article.

27 (d) During any period in which collateral is inventory held for sale or
28 lease by a person or leased by that person as lessor and that person is in the
29 business of selling [or leasing] goods of that kind, this section does not apply to
30 a security interest in that collateral created by that person [as debtor].

**Section 1. 1. The department of elementary and secondary
2 education shall provide staffing support including but not limited to
3 statewide coordination for career and technical student organizations'
4 activities that are an integral part of the instructional educational
5 curriculum for career and technical education programs approved by
6 the department. Such career and technical organizations shall include,
7 but not be limited to, the nationally recognized organizations of DECA,
8 FBLA, FFA, FCCLA, HOSA, SkillsUSA, and TSA.**

9 **2. The department of elementary and secondary education shall
10 continue to handle the dues from the organizations in the same manner**

11 as it did during school year 2011-2012, with department personnel
12 maintaining responsibility for the receipt and disbursement of
13 funds. The department may ensure accountability and transparency by
14 requiring the career and technical student organizations to provide
15 sworn affidavits annually by personnel in the organization who are
16 responsible for such funds as to the proper receipt and disbursement
17 of such funds.

[339.1100. Sections 339.1100 to 339.1240 shall be known
2 and may be cited as the "Missouri Appraisal Management Company
3 Registration and Regulation Act".]

[339.1105. As used in sections 339.1100 to 339.1240, unless
2 the context otherwise requires, the following terms shall mean:

3 (1) "Appraisal" or "real estate appraisal", an objective
4 analysis, evaluation, opinion, or conclusion relating to the nature,
5 quality, value or utility of specified interests in, or aspects of,
6 identified real estate. An appraisal may be classified by subject
7 matter into either a valuation or an analysis;

8 (2) "Appraisal firm", a person, limited liability company,
9 partnership, association, or corporation whose principal is an
10 appraiser licensed under sections 339.500 to 339.549 which for
11 compensation prepares and communicates appraisals, reviews
12 appraisals prepared by others, provides appraisal consultation
13 services, and supervises, trains, and reviews work produced or
14 certified by persons licensed under sections 339.500 to 339.549 who
15 produce appraisals;

16 (3) "Appraisal management company", an individual or
17 business entity that utilizes an appraisal panel and performs,
18 directly or indirectly, appraisal management services;

19 (4) "Appraisal management services", to directly or
20 indirectly perform any of the following functions on behalf of a
21 lender, financial institution, client, or any other person:

22 (a) Administer an appraiser panel;

23 (b) Recruit, qualify, verify licensing or certification, and
24 negotiate fees and service level expectations with persons who are
25 part of an appraiser panel;

26 (c) Receive an order for an appraisal from one person and
27 deliver the order for the appraisal to an appraiser that is part of an
28 appraiser panel for completion;

- 29 (d) Track and determine the status of orders for appraisals;
- 30 (e) Conduct quality control of a completed appraisal prior
- 31 to the delivery of the appraisal to the person that ordered the
- 32 appraisal; and
- 33 (f) Provide a completed appraisal performed by an appraiser
- 34 to one or more persons who have ordered an appraisal;
- 35 (5) "Appraisal review", the act or process of developing and
- 36 communicating an opinion about the quality of another appraiser's
- 37 work that was performed as part of an appraisal assignment,
- 38 except that an examination of an appraisal for grammatical,
- 39 typographical, or other similar errors shall not be an appraisal
- 40 review;
- 41 (6) "Appraiser", an individual who holds a license as a state
- 42 licensed real estate appraiser or certification as a state certified
- 43 real estate appraiser under this chapter;
- 44 (7) "Appraiser panel", a network of licensed or certified
- 45 appraisers that have:
- 46 (a) Responded to an invitation, request, or solicitation from
- 47 an appraisal management company, in any form, to perform
- 48 appraisals for persons that have ordered appraisals through the
- 49 appraisal management company or to perform appraisals for the
- 50 appraisal management company directly; and
- 51 (b) Been selected and approved by an appraisal
- 52 management company to perform appraisals for any client of the
- 53 appraisal management company that has ordered an appraisal
- 54 through the appraisal management company or to perform
- 55 appraisals for the appraisal management company directly;
- 56 (8) "Commission", the Missouri real estate appraisers
- 57 commission created in section 339.507;
- 58 (9) "Controlling person":
- 59 (a) An owner, officer or director of a corporation,
- 60 partnership, or other business entity seeking to offer appraisal
- 61 management services in this state;
- 62 (b) An individual employed, appointed, or authorized by an
- 63 appraisal management company that has the authority to enter
- 64 into a contractual relationship with other persons for the
- 65 performance of appraisal management services and has the
- 66 authority to enter into agreements with appraisers for the

67 performance of appraisals; or

68 (c) An individual who possesses, directly or indirectly, the
69 power to direct or cause the direction of the management or policies
70 of an appraisal management company;

71 (10) "State certified real estate appraiser", a person who
72 develops and communicates real estate appraisals and who holds
73 a current valid certificate issued to the person for either general or
74 residential real estate under this chapter;

75 (11) "State licensed real estate appraiser", a person who
76 holds a current valid real estate appraiser license issued under this
77 chapter.]

[339.1110. 1. No person shall directly or indirectly engage
2 or attempt to engage in business as an appraisal management
3 company, to directly or indirectly engage or attempt to perform
4 appraisal management services, or to advertise or hold itself out as
5 engaging in or conducting business as an appraisal management
6 company without first obtaining a registration issued by the
7 commission under sections 339.1100 to 339.1240.

8 2. The registration required by subsection 1 of this section
9 shall, at a minimum, include the following:

10 (1) Name of the entity seeking registration;

11 (2) Business address of the entity seeking registration,
12 which shall be located and maintained within this state;

13 (3) Phone contact information of the entity seeking
14 registration;

15 (4) If the entity is not a corporation that is domiciled in this
16 state, the name and contact information for the company's agent for
17 service of process in this state;

18 (5) The name, address, and contact information for any
19 individual or any corporation, partnership, or other business entity
20 that owns ten percent or more of the appraisal management
21 company;

22 (6) The name, address, and contact information for a
23 designated controlling person to be the primary communication
24 source for the commission;

25 (7) A certification that the entity has a system and process
26 in place to verify that a person being added to the appraiser panel
27 of the appraisal management company for appraisal services to be

28 performed in Missouri holds a license in good standing in Missouri,
29 if a license or certification is required to perform appraisals under
30 section 339.1180;

31 (8) A certification that the entity has a system in place to
32 review the work of all appraisers who are performing real estate
33 appraisal services for the appraisal management company on a
34 periodic basis to validate that the real estate appraisal services are
35 being conducted in accordance with Uniform Standards of
36 Professional Appraisal Practice (USPAP) under section 339.1185;

37 (9) A certification that the entity maintains a detailed
38 record of each service request that it receives for appraisal services
39 within the state of Missouri and the appraiser who performs the
40 real estate appraisal services for the appraisal management
41 company under section 339.1190;

42 (10) An irrevocable uniform consent to service of process
43 under section 339.1130; and

44 (11) Any other reasonable information required by the
45 commission to complete the registration process.]

[339.1115. Sections 339.1100 to 339.1240 shall not apply to:

2 (1) The performance of services as an appraisal firm;
3 (2) A national or state bank, federal or state savings
4 institution, or credit union that is subject to direct regulation or
5 supervision by an agency of the United States government, or by
6 the department of insurance, financial institutions or professional
7 registration, that receives a request for the performance of an
8 appraisal from one employee of the financial institution, and
9 another employee of the same financial institution assigns the
10 request for the appraisal to an appraiser who is an independent
11 contractor to the institution. An entity exempt as provided in this
12 subdivision shall file a notice with the commission containing the
13 information required in section 339.1110;

14 (3) An appraiser that enters into an agreement, whether
15 written or otherwise, with an appraiser for the performance of an
16 appraisal, and upon the completion of the appraisal, the report of
17 the appraiser performing the appraisal is signed by both the
18 appraiser who completed the appraisal and the appraiser who
19 requested the completion of the appraisal;

20 (4) A state agency or local municipality that orders

21 appraisals for ad valorem tax purposes or any other business on
22 behalf of the state of Missouri;

23 (5) Any person licensed to practice law in this state, a
24 court-appointed personal representative, or a trustee who orders an
25 appraisal in connection with a bona fide client relationship when
26 such person directly contracts with an independent appraiser.]

[339.1120. An applicant for a registration as an appraisal
2 management company shall submit to the commission an
3 application containing the information required in subsection 2 of
4 section 339.1110 on a form prescribed by the commission.]

[339.1125. Registration shall be valid for two years from its
2 issuance.]

[339.1130. Each entity applying for a registration as an
2 appraisal management company in Missouri shall complete an
3 irrevocable uniform consent to service of process, as prescribed by
4 the commission.]

[339.1135. 1. The commission shall establish by rule the
2 fee to be paid by each appraisal management company seeking
3 registration under sections 339.1100 to 339.1240, such that the
4 sum of the fees paid by all appraisal management companies
5 seeking registration under this section shall be sufficient for the
6 administration of sections 339.1100 to 339.1240. The commission
7 shall charge and collect fees to be utilized to fund activities that
8 may be necessary to carry out the provisions of this chapter.

9 2. Each applicant for registration shall post with the
10 commission and maintain on renewal a surety bond in the amount
11 of twenty thousand dollars. The details of the bond shall be
12 prescribed by rule of the commission, however, the bond shall not
13 be used to assist appraisers in collection efforts of credit extended
14 by the appraiser.

15 3. Any rule or portion of a rule, as that term is defined in
16 section 536.010, that is created under the authority delegated in
17 sections 339.1100 to 339.1240 shall become effective only if it
18 complies with and is subject to all of the provisions of chapter 536
19 and, if applicable, section 536.028. Sections 339.1100 to 339.1240
20 and chapter 536 are nonseverable and if any of the powers vested
21 with the general assembly pursuant to chapter 536 to review, to
22 delay the effective date, or to disapprove and annul a rule are

23 subsequently held unconstitutional, then the grant of rulemaking
24 authority and any rule proposed or adopted after August 28, 2010,
25 shall be invalid and void.]

[339.1140. 1. An appraisal management company applying
2 for a registration in Missouri shall not be more than ten percent
3 owned by:

4 (1) A person who has had a license or certificate to act as
5 an appraiser refused, denied, canceled, revoked, or surrendered in
6 lieu of a pending revocation in any state;

7 (2) An entity that is more than ten percent owned by any
8 person who has had a license or certificate to act as an appraiser
9 refused, denied, canceled, revoked, or surrendered in lieu of a
10 pending revocation in any state.

11 2. Each person who owns more than ten percent of an
12 appraisal management company in this state shall:

13 (1) Be of good moral character, as determined by the
14 commission; and

15 (2) Submit to a background investigation, as determined by
16 the commission.

17 3. Each appraisal management company applying for
18 registration shall certify to the commission that it has reviewed
19 each entity that owns more than ten percent of the appraisal
20 management company and that no entity that owns more than ten
21 percent of the appraisal management company is more than ten
22 percent owned by any person who has had a license or certificate
23 to act as an appraiser refused, denied, cancelled, revoked, or
24 surrendered in lieu of a pending revocation.

25 4. Each appraisal management company shall notify the
26 commission within thirty days of a change in its controlling
27 principal, agent of record, or ownership composition.]

[339.1145. 1. Each appraisal management company
2 applying to the commission for a registration in this state shall
3 designate one compliance manager who will be the main contact for
4 all communication between the commission and the appraisal
5 management company.

6 2. The designated controlling person under subsection 1 of
7 this section shall:

8 (1) Have never had a license or certificate to act as an

9 appraiser refused, denied, canceled, revoked, or surrendered in lieu
10 of a pending revocation in any state;

11 (2) Be of good moral character, as determined by the
12 commission; and

13 (3) Submit to a background investigation, as determined by
14 the commission.]

[339.1150. An appraisal management company that applies
2 to the commission for registration to do business in this state as an
3 appraisal management company under subdivision (1) of section
4 339.1115 shall not:

5 (1) Employ any person directly involved in appraisal
6 management services who has had a license or certificate to act as
7 an appraiser in Missouri or in any other state refused, denied,
8 cancelled, revoked, or surrendered in lieu of a pending revocation;

9 (2) Knowingly enter into any independent contractor
10 arrangement, whether in verbal, written, or other form, with any
11 person who has had a license or certificate to act as an appraiser
12 in Missouri or in any other state refused, denied, cancelled,
13 revoked, or surrendered in lieu of a pending revocation;

14 (3) Knowingly enter into any contract, agreement, or other
15 business relationship directly involved with the performance of real
16 estate appraisal or appraisal management services, whether in
17 verbal, written, or any other form, with any entity that employs,
18 has entered into an independent contract arrangement, or has
19 entered into any contract, agreement, or other business
20 relationship, whether in verbal, written, or any other form, with
21 any person who has ever had a license or certificate to act as an
22 appraiser in Missouri or in any other state, refused, denied,
23 cancelled, revoked, or surrendered in lieu of a pending revocation.]

[339.1155. Prior to placing an assignment for real estate
2 appraisal services within the state of Missouri with an appraiser
3 on the appraiser panel of an appraisal management company, the
4 appraisal management company shall have a system in place to
5 verify that the appraiser receiving the assignment holds a
6 credential in good standing in the state of Missouri. Letters of
7 engagement shall include instructions to the appraiser to decline
8 the assignment in the event the appraiser is not geographically
9 competent or the assignment falls outside the appraiser's scope of

10 practice restrictions.]

2 [339.1160. Any employee or independent contractor of the
3 appraisal management company who performs an appraisal review
4 shall be an individual who holds a license as a state licensed real
5 estate appraiser or certification as a state certified real estate
6 appraiser under this chapter. Letters of engagement shall include
7 instructions to the appraiser to decline the appraisal review
8 assignment in the event the appraiser is not geographically
9 competent or the assignment falls outside the appraiser's scope of
practice restrictions.]

2 [339.1170. Each appraisal management company seeking
3 to be registered shall certify to the commission on a biannual basis
4 on a form prescribed by the commission that the appraisal
5 management company has a system and process in place to verify
6 that an individual being added to the appraiser panel of the
7 appraisal management company holds a license in good standing
in this state under this chapter.]

2 [339.1175. Each appraisal management company seeking
3 to be registered shall certify to the commission on a biannual basis
4 on a form prescribed by the commission that the appraisal
5 management company has a system in place to verify that an
6 individual to whom the appraisal management company is making
7 an assignment for the completion of an appraisal has not had a
8 license or certification as an appraiser refused, denied, cancelled,
9 revoked, or surrendered in lieu of a pending revocation on a regular
basis.]

2 [339.1180. Each registered appraisal management company
3 shall certify to the commission on a biannual basis that it has a
4 system in place to perform an appraisal review on a periodic basis
5 of the work of all appraisers who are performing appraisals for the
6 appraisal management company to validate that the appraisals are
7 being conducted in accordance with Uniform Standards of
8 Professional Appraisal Practice (USPAP). An appraisal
9 management company shall report to the commission the results of
10 any appraisal reviews in which an appraisal is found to be
11 substantially noncompliant with USPAP or state or federal laws
pertaining to appraisals.]

[339.1185. 1. Each appraisal management company

2 seeking to be registered shall certify to the commission biannually
3 that it maintains a detailed record of each service request for
4 appraisal services within the state of Missouri and that it receives
5 of each appraiser who performs an appraisal for the appraisal
6 management company in the state of Missouri.

7 2. All appraisal management company records shall be
8 retained for five years.]

[339.1190. 1. An appraisal management company shall not
2 prohibit its appraiser who is part of an appraiser panel from
3 recording the fee that the appraiser was paid by the appraisal
4 management company for the performance of the appraisal within
5 the appraisal report that is submitted by the appraiser to the
6 appraisal management company.

7 2. An appraisal management company shall separately
8 state to the client the fees paid to an appraiser for appraisal
9 services and the fees charged by the appraisal management
10 company for services associated with the management of the
11 appraisal process, including procurement of the appraiser's
12 services.]

[339.1200. 1. No employee, director, officer, or agent of an
2 appraisal management company shall influence or attempt to
3 influence the development, reporting, or review of an appraisal
4 through coercion, extortion, collusion, compensation, instruction,
5 inducement, intimidation, bribery or in any other manner,
6 including but not limited to:

7 (1) Withholding or threatening to withhold timely payment
8 for an appraisal, except in cases of substandard performance or
9 noncompliance with conditions of engagement;

10 (2) Withholding or threatening to withhold future business,
11 or demoting, terminating, or threatening to demote or terminate an
12 appraiser;

13 (3) Expressly or impliedly promising future business,
14 promotions, or increased compensation for an appraiser;

15 (4) Conditioning the request for an appraisal or the
16 payment of an appraisal fee or salary or bonus on the opinion,
17 conclusion, or valuation to be reached, or on a preliminary estimate
18 or opinion requested from an appraiser;

19 (5) Requesting that an appraiser provide an estimated,

20 predetermined, or desired valuation in an appraisal report, or
21 provide estimated values or comparable sales at any time prior to
22 the appraiser's completion of an appraisal;

23 (6) Providing to an appraiser an anticipated, estimated,
24 encouraged, or desired value for a subject property or a proposed
25 or target amount to be loaned to the borrower, except that a copy
26 of the sales contract for purchase transactions may be provided;

27 (7) Providing to an appraiser, or any entity or person
28 related to the appraiser, stock or other financial or nonfinancial
29 benefits;

30 (8) Allowing the removal of an appraiser from an appraiser
31 panel without prior written notice to such appraiser;

32 (9) Any other act or practice that knowingly impairs or
33 attempts to impair an appraiser's independence, objectivity, or
34 impartiality;

35 (10) Requiring an appraiser to collect an appraisal fee on
36 behalf of the appraisal management company from the borrower,
37 homeowner, or other third party; or

38 (11) Requiring an appraiser to indemnify an appraisal
39 management company or hold an appraisal management company
40 harmless for any liability, damage, losses, or claims arising out of
41 the services performed by the appraisal management company, and
42 not the services performed by the appraiser.

43 2. Nothing in subsection 1 of this section shall prohibit the
44 appraisal management company from requesting that an appraiser:

45 (1) Provide additional information about the basis for a
46 valuation; or

47 (2) Correct objective factual errors in an appraisal report;
48 or

49 (3) Provide additional information with the appraisal
50 regarding additional sales provided through an established dispute
51 process.]

[339.1205. An appraisal management company shall not:

2 (1) Require an appraiser to modify any aspect of an
3 appraisal report unless the modification complies with section
4 339.1200;

5 (2) Require an appraiser to prepare an appraisal report if
6 the appraiser, in the appraiser's own professional judgment,

7 believes the appraiser does not have the necessary expertise for the
8 assignment or for the specific geographic area, and has notified the
9 appraisal management company and declined the assignment;

10 (3) Require an appraiser to prepare an appraisal under a
11 time frame that the appraiser, in the appraiser's own professional
12 judgment, believes does not afford the appraiser the ability to meet
13 all the relevant legal and professional obligations, and has notified
14 the appraisal management company and declined the assignment;

15 (4) Prohibit or inhibit legal or other allowable
16 communication between the appraiser and:

17 (a) The lender;

18 (b) A real estate licensee; or

19 (c) Any other person from whom the appraiser, in the
20 appraiser's own professional judgment, believes information would
21 be relevant;

22 (5) Knowingly require the appraiser to do anything that
23 does not comply with:

24 (a) Uniformed Standards of Professional Appraisal Practice
25 (USPAP);

26 (b) The Missouri certified and licensed real estate
27 appraisers act established under this chapter; or

28 (c) Any assignment conditions and certifications required
29 by the client;

30 (6) Make any portion of the appraiser's fee or the appraisal
31 management company's fee contingent on a predetermined or
32 favorable outcome, including but not limited to:

33 (a) A loan closing; or

34 (b) Specific dollar amount being achieved by the appraiser
35 in the appraisal report.]

[339.1210. Each appraisal management company shall,
2 except in cases of breach of contract or substandard performance
3 of services, make payment to an appraiser for the completion of an
4 appraisal or valuation assignment within thirty days, unless a
5 mutually agreed upon alternate payment schedule exists, from
6 when the appraiser transmits or otherwise provides the completed
7 appraisal or valuation study to the appraisal management company
8 or its assignee.]

[339.1215. 1. An appraisal management company shall not

2 alter, modify, or otherwise change a completed appraisal report
3 submitted by an appraiser by:

4 (1) Permanently removing the appraiser's signature or seal;
5 or

6 (2) Adding information to, or removing information from,
7 the appraisal report with an intent to change the valuation
8 conclusion.

9 2. No registered appraisal management company shall
10 require an appraiser to provide the appraisal management
11 company with the appraiser's digital signature or seal.]

[339.1220. 1. The commission shall issue a unique
2 registration number to each appraisal management company.

3 2. The commission shall publish a list of the appraisal
4 management companies that have registered under sections
5 339.1100 to 339.1240 and have been issued a registration number.

6 3. An appraisal management company shall be required to
7 disclose the registration number on each engagement letter utilized
8 in assigning an appraisal request for real estate appraisal
9 assignments within the state of Missouri.]

[339.1230. 1. Except within the first thirty days after an
2 appraiser is first added to the appraiser panel of an appraisal
3 management company, an appraisal management company shall
4 not remove an appraiser from its appraiser panel or otherwise
5 refuse to assign requests for real estate appraisal services to an
6 appraiser without:

7 (1) Notifying the appraiser in writing of the reasons why
8 the appraiser is being removed from the appraiser panel of the
9 appraisal management company;

10 (2) If the appraiser is being removed from the panel for
11 illegal conduct, violation of the Uniform Standards of Professional
12 Appraisal Practice (USPAP), or a violation of state licensing
13 standards, describing the nature of the alleged conduct or violation;
14 and

15 (3) Providing an opportunity for the appraiser to respond
16 to the notification of the appraisal management company.

17 2. An appraiser who is removed from the appraiser panel
18 of an appraisal management company for alleged illegal conduct,
19 violation of the Uniform Standards of Professional Appraisal

20 Practice (USPAP), or violation of state licensing standards may file
21 a complaint with the commission for a review of the decision of the
22 appraisal management company; except that, in no case shall the
23 commission make any determination regarding the nature of the
24 business relationship between the appraiser and the appraisal
25 management company which is unrelated to the actions specified
26 in subsection 1 of this section.

27 3. If after notice and an opportunity for hearing and review,
28 the commission determines that an appraiser did not commit a
29 violation of law, a violation of the Uniform Standards of
30 Professional Appraisal Practice (USPAP), or a violation of state
31 licensing standards, the commission shall order that such appraiser
32 be added to the appraiser panel of the appraisal management
33 company.

34 4. If the commission has found that the appraisal
35 management company acted improperly in removing the appraiser
36 from the appraiser panel, an appraisal management company shall
37 not refuse to make assignments for real estate appraisal services
38 to an appraiser, or reduce the number of assignments, or otherwise
39 penalize the appraiser.]

[339.1235. The commission may censure an appraisal
2 management company, conditionally or unconditionally suspend or
3 revoke any registration issued under sections 339.1100 to 339.1240,
4 or impose civil penalties not to exceed one thousand dollars for
5 each offense. Each day of a continued violation constitutes a
6 separate offense, with a maximum penalty of ten thousand dollars.
7 In determining the amount of penalty to be imposed, the
8 commission may consider if an appraisal management company is:

9 (1) Knowingly committing any act in violation of sections
10 339.1100 to 339.1240;

11 (2) Violating any rule adopted by the commission; or

12 (3) Procuring a license by fraud, misrepresentation, or
13 deceit.]

[339.1240. The conduct of adjudicatory proceedings for
2 violations of this section is vested in the commission, provided:

3 (1) Before censuring any registrant, or suspending or
4 revoking any registration, the commission shall notify the
5 registrant in writing of any charges made at least twenty days

6 before the hearing and shall afford the registrant an opportunity
7 to be heard in person or by counsel; and

8 (2) Written notice shall be satisfied by personal service on
9 the controlling person of the registrant, or the registrant's agent for
10 service of process in this state, or by sending the notice by certified
11 mail, return receipt requested to the controlling person of the
12 registrant to the registrant's address on file with the commission.]

Section B. Because of the need to provide immediate guidance on the
2 financial operations of career and technical student organizations and their state
3 level direction, the enactment of section 1 of this act is deemed necessary for the
4 immediate preservation of the public health, welfare, peace and safety, and is
5 hereby declared to be an emergency act within the meaning of the constitution,
6 and the enactment of section 1 of this act shall be in full force and effect upon its
7 passage and approval.

✓

Bill

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