

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
SENATE SUBSTITUTE FOR  
**SENATE BILL NO. 1359**  
**102ND GENERAL ASSEMBLY**

5286H.07C

DANA RADEMAN MILLER, Chief Clerk

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**AN ACT**

To repeal sections 208.151, 303.425, 303.430, 303.440, 361.700, 361.705, 361.707, 361.711, 361.715, 361.718, 361.720, 361.723, 361.725, 361.727, 374.190, 379.1640, 408.035, 408.140, and 442.210, RSMo, and to enact in lieu thereof fifty-nine new sections relating to financial institutions, with penalty provisions.

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

Section A. Sections 208.151, 303.425, 303.430, 303.440, 361.700, 361.705, 361.707, 2 361.711, 361.715, 361.718, 361.720, 361.723, 361.725, 361.727, 374.190, 379.1640, 3 408.035, 408.140, and 442.210, RSMo, are repealed and fifty-nine new sections enacted in 4 lieu thereof, to be known as sections 208.151, 303.425, 303.430, 303.440, 361.900, 361.903, 5 361.906, 361.909, 361.912, 361.915, 361.918, 361.921, 361.924, 361.927, 361.930, 361.933, 6 361.936, 361.939, 361.942, 361.945, 361.948, 361.951, 361.954, 361.957, 361.960, 361.963, 7 361.966, 361.969, 361.972, 361.975, 361.978, 361.981, 361.984, 361.987, 361.990, 361.996, 8 361.999, 361.1002, 361.1005, 361.1008, 361.1011, 361.1014, 361.1017, 361.1020, 361.1023, 9 361.1026, 361.1029, 361.1032, 361.1035, 374.190, 374.192, 375.1183, 379.1640, 380.621, 10 380.631, 408.035, 408.140, 427.300, and 442.210, to read as follows:

208.151. 1. Medical assistance on behalf of needy persons shall be known as "MO 2 HealthNet". For the purpose of paying MO HealthNet benefits and to comply with Title XIX, 3 Public Law 89-97, 1965 amendments to the federal Social Security Act (42 U.S.C. Section 4 301, et seq.) as amended, the following needy persons shall be eligible to receive MO 5 HealthNet benefits to the extent and in the manner hereinafter provided:

6 (1) All participants receiving state supplemental payments for the aged, blind and 7 disabled;

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

8 (2) All participants receiving aid to families with dependent children benefits,  
9 including all persons under nineteen years of age who would be classified as dependent  
10 children except for the requirements of subdivision (1) of subsection 1 of section 208.040.  
11 Participants eligible under this subdivision who are participating in treatment court, as  
12 defined in section 478.001, shall have their eligibility automatically extended sixty days from  
13 the time their dependent child is removed from the custody of the participant, subject to  
14 approval of the Centers for Medicare and Medicaid Services;

15 (3) All participants receiving blind pension benefits;

16 (4) All persons who would be determined to be eligible for old age assistance  
17 benefits, permanent and total disability benefits, or aid to the blind benefits under the  
18 eligibility standards in effect December 31, 1973, or less restrictive standards as established  
19 by rule of the family support division, who are sixty-five years of age or over and are patients  
20 in state institutions for mental diseases or tuberculosis;

21 (5) All persons under the age of twenty-one years who would be eligible for aid to  
22 families with dependent children except for the requirements of subdivision (2) of subsection  
23 1 of section 208.040, and who are residing in an intermediate care facility, or receiving active  
24 treatment as inpatients in psychiatric facilities or programs, as defined in 42 U.S.C. Section  
25 1396d, as amended;

26 (6) All persons under the age of twenty-one years who would be eligible for aid to  
27 families with dependent children benefits except for the requirement of deprivation of  
28 parental support as provided for in subdivision (2) of subsection 1 of section 208.040;

29 (7) All persons eligible to receive nursing care benefits;

30 (8) All participants receiving family foster home or nonprofit private child-care  
31 institution care, subsidized adoption benefits and parental school care wherein state funds are  
32 used as partial or full payment for such care;

33 (9) All persons who were participants receiving old age assistance benefits, aid to the  
34 permanently and totally disabled, or aid to the blind benefits on December 31, 1973, and who  
35 continue to meet the eligibility requirements, except income, for these assistance categories,  
36 but who are no longer receiving such benefits because of the implementation of Title XVI of  
37 the federal Social Security Act, as amended;

38 (10) Pregnant women who meet the requirements for aid to families with dependent  
39 children, except for the existence of a dependent child in the home;

40 (11) Pregnant women who meet the requirements for aid to families with dependent  
41 children, except for the existence of a dependent child who is deprived of parental support as  
42 provided for in subdivision (2) of subsection 1 of section 208.040;

43 (12) Pregnant women or infants under one year of age, or both, whose family income  
44 does not exceed an income eligibility standard equal to one hundred eighty-five percent of the

45 federal poverty level as established and amended by the federal Department of Health and  
46 Human Services, or its successor agency;

47 (13) Children who have attained one year of age but have not attained six years of age  
48 who are eligible for medical assistance under 6401 of P.L. 101-239 (Omnibus Budget  
49 Reconciliation Act of 1989) (42 U.S.C. Sections 1396a to 1396b). The family support  
50 division shall use an income eligibility standard equal to one hundred thirty-three percent of  
51 the federal poverty level established by the Department of Health and Human Services, or its  
52 successor agency;

53 (14) Children who have attained six years of age but have not attained nineteen years  
54 of age. For children who have attained six years of age but have not attained nineteen years  
55 of age, the family support division shall use an income assessment methodology which  
56 provides for eligibility when family income is equal to or less than equal to one hundred  
57 percent of the federal poverty level established by the Department of Health and Human  
58 Services, or its successor agency. As necessary to provide MO HealthNet coverage under this  
59 subdivision, the department of social services may revise the state MO HealthNet plan to  
60 extend coverage under 42 U.S.C. Section 1396a(a)(10)(A)(i)(III) to children who have  
61 attained six years of age but have not attained nineteen years of age as permitted by paragraph  
62 (2) of subsection (n) of 42 U.S.C. Section 1396d using a more liberal income assessment  
63 methodology as authorized by paragraph (2) of subsection (r) of 42 U.S.C. Section 1396a;

64 (15) The family support division shall not establish a resource eligibility standard in  
65 assessing eligibility for persons under subdivision (12), (13) or (14) of this subsection. The  
66 MO HealthNet division shall define the amount and scope of benefits which are available to  
67 individuals eligible under each of the subdivisions (12), (13), and (14) of this subsection, in  
68 accordance with the requirements of federal law and regulations promulgated thereunder;

69 (16) Notwithstanding any other provisions of law to the contrary, ambulatory prenatal  
70 care shall be made available to pregnant women during a period of presumptive eligibility  
71 pursuant to 42 U.S.C. Section 1396r-1, as amended;

72 (17) A child born to a woman eligible for and receiving MO HealthNet benefits under  
73 this section on the date of the child's birth shall be deemed to have applied for MO HealthNet  
74 benefits and to have been found eligible for such assistance under such plan on the date of  
75 such birth and to remain eligible for such assistance for a period of time determined in  
76 accordance with applicable federal and state law and regulations so long as the child is a  
77 member of the woman's household and either the woman remains eligible for such assistance  
78 or for children born on or after January 1, 1991, the woman would remain eligible for such  
79 assistance if she were still pregnant. Upon notification of such child's birth, the family  
80 support division shall assign a MO HealthNet eligibility identification number to the child so  
81 that claims may be submitted and paid under such child's identification number;

82 (18) Pregnant women and children eligible for MO HealthNet benefits pursuant to  
83 subdivision (12), (13) or (14) of this subsection shall not as a condition of eligibility for MO  
84 HealthNet benefits be required to apply for aid to families with dependent children. The  
85 family support division shall utilize an application for eligibility for such persons which  
86 eliminates information requirements other than those necessary to apply for MO HealthNet  
87 benefits. The division shall provide such application forms to applicants whose preliminary  
88 income information indicates that they are ineligible for aid to families with dependent  
89 children. Applicants for MO HealthNet benefits under subdivision (12), (13) or (14) of this  
90 subsection shall be informed of the aid to families with dependent children program and that  
91 they are entitled to apply for such benefits. Any forms utilized by the family support division  
92 for assessing eligibility under this chapter shall be as simple as practicable;

93 (19) Subject to appropriations necessary to recruit and train such staff, the family  
94 support division shall provide one or more full-time, permanent eligibility specialists to  
95 process applications for MO HealthNet benefits at the site of a health care provider, if the  
96 health care provider requests the placement of such eligibility specialists and reimburses the  
97 division for the expenses including but not limited to salaries, benefits, travel, training,  
98 telephone, supplies, and equipment of such eligibility specialists. The division may provide a  
99 health care provider with a part-time or temporary eligibility specialist at the site of a health  
100 care provider if the health care provider requests the placement of such an eligibility specialist  
101 and reimburses the division for the expenses, including but not limited to the salary, benefits,  
102 travel, training, telephone, supplies, and equipment, of such an eligibility specialist. The  
103 division may seek to employ such eligibility specialists who are otherwise qualified for such  
104 positions and who are current or former welfare participants. The division may consider  
105 training such current or former welfare participants as eligibility specialists for this program;

106 (20) Pregnant women who are eligible for, have applied for and have received MO  
107 HealthNet benefits under subdivision (2), (10), (11) or (12) of this subsection shall continue  
108 to be considered eligible for all pregnancy-related and postpartum MO HealthNet benefits  
109 provided under section 208.152 until the end of the sixty-day period beginning on the last day  
110 of their pregnancy. Pregnant women receiving mental health treatment for postpartum  
111 depression or related mental health conditions within sixty days of giving birth shall, subject  
112 to appropriations and any necessary federal approval, be eligible for MO HealthNet benefits  
113 for mental health services for the treatment of postpartum depression and related mental  
114 health conditions for up to twelve additional months. Pregnant women receiving substance  
115 abuse treatment within sixty days of giving birth shall, subject to appropriations and any  
116 necessary federal approval, be eligible for MO HealthNet benefits for substance abuse  
117 treatment and mental health services for the treatment of substance abuse for no more than  
118 twelve additional months, as long as the woman remains adherent with treatment. The

119 department of mental health and the department of social services shall seek any necessary  
120 waivers or state plan amendments from the Centers for Medicare and Medicaid Services and  
121 shall develop rules relating to treatment plan adherence. No later than fifteen months after  
122 receiving any necessary waiver, the department of mental health and the department of social  
123 services shall report to the house of representatives budget committee and the senate  
124 appropriations committee on the compliance with federal cost neutrality requirements;

125 (21) Case management services for pregnant women and young children at risk shall  
126 be a covered service. To the greatest extent possible, and in compliance with federal law and  
127 regulations, the department of health and senior services shall provide case management  
128 services to pregnant women by contract or agreement with the department of social services  
129 through local health departments organized under the provisions of chapter 192 or chapter  
130 205 or a city health department operated under a city charter or a combined city-county health  
131 department or other department of health and senior services designees. To the greatest extent  
132 possible the department of social services and the department of health and senior services  
133 shall mutually coordinate all services for pregnant women and children with the crippled  
134 children's program, the prevention of intellectual disability and developmental disability  
135 program and the prenatal care program administered by the department of health and senior  
136 services. The department of social services shall by regulation establish the methodology for  
137 reimbursement for case management services provided by the department of health and senior  
138 services. For purposes of this section, the term "case management" shall mean those  
139 activities of local public health personnel to identify prospective MO HealthNet-eligible high-  
140 risk mothers and enroll them in the state's MO HealthNet program, refer them to local  
141 physicians or local health departments who provide prenatal care under physician protocol  
142 and who participate in the MO HealthNet program for prenatal care and to ensure that said  
143 high-risk mothers receive support from all private and public programs for which they are  
144 eligible and shall not include involvement in any MO HealthNet prepaid, case-managed  
145 programs;

146 (22) By January 1, 1988, the department of social services and the department of  
147 health and senior services shall study all significant aspects of presumptive eligibility for  
148 pregnant women and submit a joint report on the subject, including projected costs and the  
149 time needed for implementation, to the general assembly. The department of social services,  
150 at the direction of the general assembly, may implement presumptive eligibility by regulation  
151 promulgated pursuant to chapter 207;

152 (23) All participants who would be eligible for aid to families with dependent  
153 children benefits except for the requirements of paragraph (d) of subdivision (1) of section  
154 208.150;

155 (24) (a) All persons who would be determined to be eligible for old age assistance  
156 benefits under the eligibility standards in effect December 31, 1973, as authorized by 42  
157 U.S.C. Section 1396a(f), or less restrictive methodologies as contained in the MO HealthNet  
158 state plan as of January 1, 2005; except that, on or after July 1, 2005, less restrictive income  
159 methodologies, as authorized in 42 U.S.C. Section 1396a(r)(2), may be used to change the  
160 income limit if authorized by annual appropriation;

161 (b) All persons who would be determined to be eligible for aid to the blind benefits  
162 under the eligibility standards in effect December 31, 1973, as authorized by 42 U.S.C.  
163 Section 1396a(f), or less restrictive methodologies as contained in the MO HealthNet state  
164 plan as of January 1, 2005, except that less restrictive income methodologies, as authorized in  
165 42 U.S.C. Section 1396a(r)(2), shall be used to raise the income limit to one hundred percent  
166 of the federal poverty level;

167 (c) All persons who would be determined to be eligible for permanent and total  
168 disability benefits under the eligibility standards in effect December 31, 1973, as authorized  
169 by 42 U.S.C. Section 1396a(f); or less restrictive methodologies as contained in the MO  
170 HealthNet state plan as of January 1, 2005; except that, on or after July 1, 2005, less  
171 restrictive income methodologies, as authorized in 42 U.S.C. Section 1396a(r)(2), may be  
172 used to change the income limit if authorized by annual appropriations. Eligibility standards  
173 for permanent and total disability benefits shall not be limited by age;

174 (25) Persons who have been diagnosed with breast or cervical cancer and who are  
175 eligible for coverage pursuant to 42 U.S.C. Section 1396a(a)(10)(A)(ii)(XVIII). Such  
176 persons shall be eligible during a period of presumptive eligibility in accordance with 42  
177 U.S.C. Section 1396r-1. **A person who receives a breast or cervical cancer screening  
178 service of a type that is within the scope of screening services under Title XV of the  
179 Public Health Service Act (42 U.S.C. Section 300k et seq.) and who otherwise meets the  
180 eligibility requirements for medical assistance for treatment of breast or cervical cancer  
181 as provided under this subdivision is eligible for medical assistance under this  
182 subdivision regardless of whether the screening service was provided by a provider who  
183 receives or uses funds under that title;**

184 (26) Persons who are in foster care under the responsibility of the state of Missouri on  
185 the date such persons attained the age of eighteen years, or at any time during the thirty-day  
186 period preceding their eighteenth birthday, or persons who received foster care for at least six  
187 months in another state, are residing in Missouri, and are at least eighteen years of age,  
188 without regard to income or assets, if such persons:

189 (a) Are under twenty-six years of age;

190 (b) Are not eligible for coverage under another mandatory coverage group; and

191 (c) Were covered by Medicaid while they were in foster care;

192 (27) Any homeless child or homeless youth, as those terms are defined in section  
193 167.020, subject to approval of a state plan amendment by the Centers for Medicare and  
194 Medicaid Services;

195 (28) (a) Subject to approval of any necessary state plan amendments or waivers,  
196 beginning on July 6, 2023, pregnant women who are eligible for, have applied for, and have  
197 received MO HealthNet benefits under subdivision (2), (10), (11), or (12) of this subsection  
198 shall be eligible for medical assistance during the pregnancy and during the twelve-month  
199 period that begins on the last day of the woman's pregnancy and ends on the last day of the  
200 month in which such twelve-month period ends, consistent with the provisions of 42 U.S.C.  
201 Section 1396a(e)(16). The department shall submit a state plan amendment to the Centers for  
202 Medicare and Medicaid Services when the number of ineligible MO HealthNet participants  
203 removed from the program in 2023 pursuant to section 208.239 exceeds the projected number  
204 of beneficiaries likely to enroll in benefits in 2023 under this subdivision and subdivision (2)  
205 of subsection 6 of section 208.662, as determined by the department, by at least one hundred  
206 individuals;

207 (b) The provisions of this subdivision shall remain in effect for any period of time  
208 during which the federal authority under 42 U.S.C. Section 1396a(e)(16), as amended, or any  
209 successor statutes or implementing regulations, is in effect.

210 2. Rules and regulations to implement this section shall be promulgated in accordance  
211 with chapter 536. Any rule or portion of a rule, as that term is defined in section 536.010, that  
212 is created under the authority delegated in this section shall become effective only if it  
213 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section  
214 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with  
215 the general assembly pursuant to chapter 536 to review, to delay the effective date or to  
216 disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
217 rulemaking authority and any rule proposed or adopted after August 28, 2002, shall be invalid  
218 and void.

219 3. After December 31, 1973, and before April 1, 1990, any family eligible for  
220 assistance pursuant to 42 U.S.C. Section 601, et seq., as amended, in at least three of the last  
221 six months immediately preceding the month in which such family became ineligible for such  
222 assistance because of increased income from employment shall, while a member of such  
223 family is employed, remain eligible for MO HealthNet benefits for four calendar months  
224 following the month in which such family would otherwise be determined to be ineligible for  
225 such assistance because of income and resource limitation. After April 1, 1990, any family  
226 receiving aid pursuant to 42 U.S.C. Section 601, et seq., as amended, in at least three of the  
227 six months immediately preceding the month in which such family becomes ineligible for  
228 such aid, because of hours of employment or income from employment of the caretaker

229 relative, shall remain eligible for MO HealthNet benefits for six calendar months following  
230 the month of such ineligibility as long as such family includes a child as provided in 42  
231 U.S.C. Section 1396r-6. Each family which has received such medical assistance during the  
232 entire six-month period described in this section and which meets reporting requirements and  
233 income tests established by the division and continues to include a child as provided in 42  
234 U.S.C. Section 1396r-6 shall receive MO HealthNet benefits without fee for an additional six  
235 months. The MO HealthNet division may provide by rule and as authorized by annual  
236 appropriation the scope of MO HealthNet coverage to be granted to such families.

237 4. When any individual has been determined to be eligible for MO HealthNet  
238 benefits, such medical assistance will be made available to him or her for care and services  
239 furnished in or after the third month before the month in which he made application for such  
240 assistance if such individual was, or upon application would have been, eligible for such  
241 assistance at the time such care and services were furnished; provided, further, that such  
242 medical expenses remain unpaid.

243 5. The department of social services may apply to the federal Department of Health  
244 and Human Services for a MO HealthNet waiver amendment to the Section 1115  
245 demonstration waiver or for any additional MO HealthNet waivers necessary not to exceed  
246 one million dollars in additional costs to the state, unless subject to appropriation or directed  
247 by statute, but in no event shall such waiver applications or amendments seek to waive the  
248 services of a rural health clinic or a federally qualified health center as defined in 42 U.S.C.  
249 Section 1396d(l)(1) and (2) or the payment requirements for such clinics and centers as  
250 provided in 42 U.S.C. Section 1396a(a)(15) and 1396a(bb) unless such waiver application is  
251 approved by the oversight committee created in section 208.955. A request for such a waiver  
252 so submitted shall only become effective by executive order not sooner than ninety days after  
253 the final adjournment of the session of the general assembly to which it is submitted, unless it  
254 is disapproved within sixty days of its submission to a regular session by a senate or house  
255 resolution adopted by a majority vote of the respective elected members thereof, unless the  
256 request for such a waiver is made subject to appropriation or directed by statute.

257 6. Notwithstanding any other provision of law to the contrary, in any given fiscal  
258 year, any persons made eligible for MO HealthNet benefits under subdivisions (1) to (22) of  
259 subsection 1 of this section shall only be eligible if annual appropriations are made for such  
260 eligibility. This subsection shall not apply to classes of individuals listed in 42 U.S.C. Section  
261 1396a(a)(10)(A)(i).

262 7. (1) Notwithstanding any provision of law to the contrary, a military service  
263 member, or an immediate family member residing with such military service member, who is  
264 a legal resident of this state and is eligible for MO HealthNet developmental disability  
265 services, shall have his or her eligibility for MO HealthNet developmental disability services



266 temporarily suspended for any period of time during which such person temporarily resides  
267 outside of this state for reasons relating to military service, but shall have his or her eligibility  
268 immediately restored upon returning to this state to reside.

269 (2) Notwithstanding any provision of law to the contrary, if a military service  
270 member, or an immediate family member residing with such military service member, is not a  
271 legal resident of this state, but would otherwise be eligible for MO HealthNet developmental  
272 disability services, such individual shall be deemed eligible for MO HealthNet developmental  
273 disability services for the duration of any time in which such individual is temporarily present  
274 in this state for reasons relating to military service.

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

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

14 (3) The department of revenue or third-party vendors shall not use any data collected  
15 from or technology associated with any automated motor vehicle financial responsibility  
16 enforcement system. For purposes of this subdivision, "motor vehicle financial responsibility  
17 enforcement system" means a device consisting of a camera or cameras and vehicle sensor or  
18 sensors installed to record motor vehicle financial responsibility violations.

19 (4) All fees paid to or collected by third-party vendors under sections 303.420 to  
20 303.440 may come from violator diversion fees generated by the pretrial diversion option  
21 established under this section.

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

25 3. The department of revenue may authorize traffic enforcement officers or third-  
26 party vendors to administer the processing and issuance of notices of violation, the collection  
27 of fees for a violation of the motor vehicle financial responsibility law, or the referral of cases  
28 for prosecution, under the program.

29           4. Access to the system shall be restricted to qualified agencies and the third-party  
30 vendors with which the department of revenue contracts for purposes of the program,  
31 provided that any third-party vendor with which a contract is executed to provide necessary  
32 technology, equipment, or maintenance for the program shall be authorized as necessary to  
33 collaborate for required updates and maintenance of system software.

34           5. For purposes of the program, any data collected and matched to a corresponding  
35 vehicle insurance record as verified through the system, and any Missouri vehicle registration  
36 database, may be used to identify violations of the motor vehicle financial responsibility law.  
37 Such corresponding data shall constitute evidence of the violations.

38           6. Except as otherwise provided in this section, the department of revenue shall  
39 suspend, in accordance with section 303.041, the registration of any motor vehicle that is  
40 determined under the program to be in violation of the motor vehicle financial responsibility  
41 law.

42           7. The department of revenue shall send to an owner whose vehicle is identified under  
43 the program as being in violation of the motor vehicle financial responsibility law a notice  
44 that the vehicle's registration may be suspended unless the owner, within thirty days, provides  
45 proof of financial responsibility for the vehicle or proof, in a form specified by the department  
46 of revenue, that the owner has a pending criminal charge for a violation of the motor vehicle  
47 financial responsibility law. The notice shall include information on steps an individual may  
48 take to obtain proof of financial responsibility and a web address to a page on the department  
49 of revenue's website where information on obtaining proof of financial responsibility shall be  
50 provided. If proof of financial responsibility or a pending criminal charge is not provided  
51 within the time allotted, the department of revenue shall provide a notice of suspension and  
52 suspend the vehicle's registration in accordance with section 303.041, or shall send a notice of  
53 vehicle registration suspension, clearly specifying the reason and statutory grounds for the  
54 suspension and the effective date of the suspension, the right of the vehicle owner to request a  
55 hearing, the procedure for requesting a hearing, and the date by which that request for a  
56 hearing must be made, as well as informing the owner that the matter will be referred for  
57 prosecution if a satisfactory response is not received in the time allotted, informing the owner  
58 that the minimum penalty for the violation is three hundred dollars [~~and four license points~~],  
59 and offering the owner participation in a pretrial diversion option to preclude referral for  
60 prosecution and registration suspension under sections 303.420 to 303.440. The notice of  
61 vehicle registration suspension shall give a period of thirty-three days from mailing for the  
62 vehicle owner to respond, and shall be deemed received three days after mailing. If no  
63 request for a hearing or agreement to participate in the diversion option is received by the  
64 department of revenue prior to the date provided on the notice of vehicle registration  
65 suspension, the director shall suspend the vehicle's registration, effective immediately, and

66 refer the case to the appropriate prosecuting attorney. If an agreement by the vehicle owner to  
67 participate in the diversion option is received by the department of revenue prior to the  
68 effective date provided on the notice of vehicle registration suspension, then upon payment of  
69 a diversion participation fee not to exceed two hundred dollars, agreement to secure proof of  
70 financial responsibility within the time provided on the notice of suspension, and agreement  
71 that such financial responsibility shall be maintained for a minimum of two years, no points  
72 shall be assessed to the vehicle owner's driver's license under section 302.302 and the  
73 department of revenue shall not take further action against the vehicle owner under sections  
74 303.420 to 303.440, subject to compliance with the terms of the pretrial diversion option. The  
75 department of revenue shall suspend the vehicle registration of, and shall refer the case to the  
76 appropriate prosecuting attorney for prosecution of, participating vehicle owners who violate  
77 the terms of the pretrial diversion option. If a request for hearing is received by the  
78 department of revenue prior to the effective date provided on the notice of vehicle registration  
79 suspension, then for all purposes other than eligibility for participation in the diversion  
80 option, the effective date of the suspension shall be stayed until a final order is issued  
81 following the hearing. The department of revenue shall suspend the registration of vehicles  
82 determined under the final order to have violated the motor vehicle financial responsibility  
83 law, and shall refer the case to the appropriate prosecuting attorney for prosecution. Notices  
84 under this subsection shall be mailed to the vehicle owner at the last known address shown on  
85 the department of revenue's records. The department of revenue or its third-party vendor  
86 shall issue receipts for the collection of diversion participation fees. Except as otherwise  
87 provided in subsection 1 of this section, all such fees shall be deposited into the motor vehicle  
88 financial responsibility verification and enforcement fund established in section 303.422. A  
89 vehicle owner whose registration has been suspended under sections 303.420 to 303.440 may  
90 obtain reinstatement of the registration upon providing proof of financial responsibility and  
91 payment to the department of revenue of a nonrefundable reinstatement fee equal to the fee  
92 that would be applicable under subsection 2 of section 303.042 if the registration had been  
93 suspended under section 303.041.

94         8. Data collected or retained under the program shall not be used by any entity for  
95 purposes other than enforcement of the motor vehicle financial responsibility law. Data  
96 collected and stored by law enforcement under the program shall be considered evidence if  
97 noncompliance with the motor vehicle financial responsibility law is confirmed. The  
98 evidence, and an affidavit stating that the evidence and system have identified a particular  
99 vehicle as being in violation of the motor vehicle financial responsibility law, shall constitute  
100 probable cause for prosecution and shall be forwarded in accordance with subsection 7 of this  
101 section to the appropriate prosecuting attorney.

102           9. Owners of vehicles identified under the program as being in violation of the motor  
103 vehicle financial responsibility law shall be provided with options for disputing such claims  
104 which do not require appearance at any state or local court of law, or administrative facility.  
105 Any person who presents timely proof that he or she was in compliance with the motor  
106 vehicle financial responsibility law at the time of the alleged violation shall be entitled to  
107 dismissal of the charge with no assessment of fees or fines. Proof provided by a vehicle  
108 owner to the department of revenue that the vehicle was in compliance at the time of the  
109 suspected violation of the motor vehicle financial responsibility law shall be recorded in the  
110 system established by the department of revenue under section 303.430.

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

114           11. Law enforcement agencies, third-party vendors, or other entities authorized to  
115 operate under the program shall not sell data collected or retained under the program for any  
116 purpose or share it for any purpose not expressly authorized in this section. All data shall be  
117 secured and any third-party vendor or other entity authorized to operate under the program  
118 may be liable for any data security breach.

119           12. The department of revenue shall not take action under sections 303.420 to  
120 303.440 against vehicles registered as fleet vehicles under section 301.032, or against  
121 vehicles known to the department of revenue to be insured under a policy of commercial auto  
122 coverage, as such term is defined in subdivision (10) of subsection 2 of section 303.430.

123           13. Following one year after the implementation of the program, and every year  
124 thereafter **for a period of five years**, the department of revenue shall provide a report to the  
125 president pro tempore of the senate, the speaker of the house of representatives, the chairs of  
126 the house and senate committees with jurisdictions over insurance or transportation matters,  
127 and the chairs of the house budget and senate appropriations committees. The report shall  
128 include an evaluation of program operations, information as to the costs of the program  
129 incurred by the department of revenue, insurers, and the public, information as to the  
130 effectiveness of the program in reducing the number of uninsured motor vehicles, and  
131 anonymized demographic information including the race and zip code of vehicle owners  
132 identified under the program as being in violation of the motor vehicle financial responsibility  
133 law, and may include any additional information and recommendations for improvement of  
134 the program deemed appropriate by the department of revenue. The department of revenue  
135 may, by rule, require the state, counties, and municipalities to provide information in order to  
136 complete the report.

137           14. The department of revenue may promulgate rules as necessary for the  
138 implementation of this section. Any rule or portion of a rule, as that term is defined in section

139 536.010, that is created under the authority delegated in this section shall become effective  
140 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable,  
141 section 536.028. This section and chapter 536 are nonseverable and if any of the powers  
142 vested with the general assembly pursuant to chapter 536 to review, to delay the effective  
143 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant  
144 of rulemaking authority and any rule proposed or adopted after August 28, 2023, shall be  
145 invalid and void.

303.430. 1. The department of revenue shall establish and maintain a web-based  
2 system for the verification of motor vehicle financial responsibility, shall provide access to  
3 insurance reporting data and vehicle registration and financial responsibility data, and shall  
4 require motor vehicle insurers to establish functionality for the verification system, as  
5 provided in sections 303.420 to 303.440. The verification system, including any exceptions  
6 as provided for in sections 303.420 to 303.440 or in the implementation guide developed to  
7 support the program, shall supersede any existing verification system, and shall be the sole  
8 system used for the purpose of verifying financial responsibility required under this chapter.

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

11 (1) The verification system shall transmit requests to insurers for verification of  
12 motor vehicle insurance coverage via web services established by the insurers through the  
13 internet in compliance with the specifications and standards of the Insurance Industry  
14 Committee on Motor Vehicle Administration, or "IICMVA". Insurance company systems  
15 shall respond to each request with a prescribed response upon evaluation of the data provided  
16 in the request. The system shall include appropriate protections to secure its data against  
17 unauthorized access, and the department of revenue shall maintain a historical record of the  
18 system data for a period of no more than twelve months from the date of all requests and  
19 responses. The system shall be used for verification of the financial responsibility required  
20 under this chapter. The system shall be accessible to authorized personnel of the department  
21 of revenue, the courts, law enforcement personnel, and other entities authorized by the state  
22 as permitted by state or federal privacy laws, and it shall be interfaced, wherever appropriate,  
23 with existing state systems. The system shall include information enabling the department of  
24 revenue to submit inquiries to insurers regarding motor vehicle insurance which are  
25 consistent with insurance industry and IICMVA recommendations, specifications, and  
26 standards by using the following data elements for greater matching accuracy: insurer  
27 National Association of Insurance Commissioners, or "NAIC", company code; vehicle  
28 identification number; policy number; verification date; or as otherwise described in the  
29 specifications and standards of the IICMVA. The department of revenue shall promulgate  
30 rules to offer insurers who insure one thousand or fewer vehicles within this state an

31 alternative method for verifying motor vehicle insurance coverage in lieu of web services, and  
32 to provide for the verification of financial responsibility when financial responsibility is  
33 proven to the department to be maintained by means other than a policy of motor vehicle  
34 insurance. Insurers shall not be required to verify insurance coverage for vehicles registered  
35 in other jurisdictions;

36 (2) The verification system shall respond to each request within a time period  
37 established by the department of revenue. An insurer's system shall respond within the time  
38 period prescribed by the IICMVA's specifications and standards. Insurer systems shall be  
39 permitted reasonable system downtime for maintenance and other work with advance notice  
40 to the department of revenue. Insurers shall not be subject to enforcement fees or other  
41 sanctions under such circumstances, or when systems are not available because of emergency,  
42 outside attack, or other unexpected outages not planned by the insurer and reasonably outside  
43 its control;

44 (3) The system shall assist in identifying violations of the motor vehicle financial  
45 responsibility law in the most effective way possible. Responses to individual insurance  
46 verification requests shall have no bearing on whether insurance coverage is determined to be  
47 in force at the time of a claim. Claims shall be individually investigated to determine the  
48 existence of coverage. Nothing in sections 303.420 to 303.440 shall prohibit the department  
49 of revenue from contracting with a third-party vendor or vendors who have successfully  
50 implemented similar systems in other states to assist in establishing and maintaining this  
51 verification system;

52 (4) The department of revenue shall consult with representatives of the insurance  
53 industry and may consult with third-party vendors to determine the objectives, details, and  
54 deadlines related to the system by establishment of an advisory council. **Members of the**  
55 **advisory council shall serve in an advisory capacity in matters pertaining to the**  
56 **administration of sections 303.420 to 303.440, as the department of revenue may**  
57 **request. The advisory council shall expire one year after implementation of the**  
58 **program.** The advisory council shall consist of voting members comprised of:

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

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

63 (c) One representative of the department of commerce and insurance, to be appointed  
64 by the director of the department of commerce and insurance;

65 (d) Three representatives of insurance companies, to be appointed by the director of  
66 the department of commerce and insurance;

67 (e) One representative from the Missouri Insurance Coalition;

68 (f) One representative chosen by the National Association of Mutual Insurance  
69 Companies;

70 (g) One representative chosen by the American Property and Casualty Insurance  
71 Association;

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

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

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

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

80 (7) If the department of revenue has reason to believe a vehicle owner does not  
81 maintain financial responsibility as required under this chapter, it may also request an insurer  
82 to verify the existence of such financial responsibility in a form approved by the department  
83 of revenue. In addition, insurers shall cooperate with the department of revenue in  
84 establishing and maintaining the verification system established under this section, and shall  
85 provide motor vehicle insurance policy status information as provided in the rules  
86 promulgated by the department of revenue;

87 (8) Every property and casualty insurance company licensed to issue motor vehicle  
88 insurance or authorized to do business in this state shall comply with sections 303.420 to  
89 303.440, and corresponding rules promulgated by the department of revenue, for the  
90 verification of such insurance for every vehicle insured by that company in this state;

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

94 (10) For the purposes of this section, "commercial auto coverage" shall mean any  
95 coverage provided to an insured, regardless of number of vehicles or entities covered, under a  
96 commercial coverage form and rated from a commercial manual approved by the department  
97 of commerce and insurance. Sections 303.420 to 303.440 shall not apply to vehicles insured  
98 under commercial auto coverage; however, insurers of such vehicles may participate on a  
99 voluntary basis, and vehicle owners may provide proof at or subsequent to the time of vehicle  
100 registration that a vehicle is insured under commercial auto coverage, which the department  
101 of revenue shall record in the system;

102 (11) Insurers shall provide commercial or fleet automobile customers with evidence  
103 reflecting that the vehicle is insured under a commercial or fleet automobile liability policy.  
104 Sufficient evidence shall include an insurance identification card clearly marked with a

105 suitable identifier such as "commercial auto insurance identification card", "fleet auto  
106 insurance identification card", or other clear identification that the vehicle is insured under a  
107 fleet or commercial policy;

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

111 (13) Nothing in this section shall prohibit an insurer from using the services of a  
112 third-party vendor for facilitating the verification system required under sections 303.420 to  
113 303.440.

114 3. The department of revenue shall promulgate rules as necessary for the  
115 implementation of sections 303.420 to 303.440. Any rule or portion of a rule, as that term  
116 is defined in section 536.010, that is created under the authority delegated in this section shall  
117 become effective only if it complies with and is subject to all of the provisions of chapter 536  
118 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any  
119 of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the  
120 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then  
121 the grant of rulemaking authority and any rule proposed or adopted after August 28, 2023,  
122 shall be invalid and void.

303.440. The verification system established under section 303.430 shall be installed  
2 and fully operational [~~on January 1, 2025~~] **no later than December 31, 2027, or as soon as**  
3 **technologically possible following the development and maintenance of a modernized,**  
4 **integrated system for the titling of vehicles, issuance and renewal of vehicle**  
5 **registrations, issuance and renewal of driver's licenses and identification cards, and**  
6 **perfection and release of liens and encumbrances on vehicles, to be funded by the motor**  
7 **vehicle administration technology fund as created in section 301.558,** following an  
8 appropriate testing or pilot period of not less than nine months. Until the successful  
9 completion of the testing or pilot period in the judgment of the director of the department of  
10 revenue, no enforcement action shall be taken based on the system, including but not limited  
11 to action taken under the program established under section 303.425.

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

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

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

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



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

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

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

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

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

8           **(3) "Average daily money transmission liability", the amount of the licensee's**  
9 **outstanding money transmission obligations in this state at the end of each day in a**  
10 **given period of time, added together, and divided by the total number of days in the**  
11 **given period of time. For purposes of calculating average daily money transmission**  
12 **liability under sections 361.900 to 361.1035 for any licensee required to do so, the given**  
13 **period of time shall be the quarters ending March thirty-first, June thirtieth, September**  
14 **thirtieth, and December thirty-first;**

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

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

21           **(6) "Control":**

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

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

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

30

31 **A person is presumed to exercise a controlling influence if the person holds the power to**  
32 **vote, directly or indirectly, at least ten percent of the outstanding voting shares or voting**

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

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

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

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

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

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

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

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

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

67 (15) "Material litigation", litigation that, according to United States generally  
68 accepted accounting principles, is significant to a person's financial health and would be

69 required to be disclosed in the person's annual audited financial statements, report to  
70 shareholders, or similar records;

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

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

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

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

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

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

81

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

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

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

93 (21) "Outstanding money transmission obligations":

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

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

103

104 For purposes of this subdivision, "in the United States" shall include, to the extent  
105 applicable, a person in any state, territory, or possession of the United States; the

106 **District of Columbia; the Commonwealth of Puerto Rico; or a U.S. military installation**  
107 **that is located in a foreign country;**

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

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

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

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

117 **(d) Either:**

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

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

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

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

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

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

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

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

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

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

**361.909. Sections 361.900 to 361.1035 shall not apply to:**

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

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

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

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

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

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

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

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

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

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

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

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

34           **(7) A federally insured depository financial institution; bank holding company;**  
35 **office of an international banking corporation; foreign bank that establishes a federal**  
36 **branch under the International Bank Act, 12 U.S.C. Section 3102, as amended or**  
37 **recodified from time to time; corporation organized under the Bank Service**  
38 **Corporation Act, 12 U.S.C. Sections 1861-1867, as amended or recodified from time**  
39 **to time; or corporation organized under the Edge Act, 12 U.S.C. Sections 611-633, as**  
40 **amended or recodified from time to time, under the laws of a state or the United States;**

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

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

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

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

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

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

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

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

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

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

3           **(1) Enter into agreements or relationships with other government officials or**  
4 **federal and state regulatory agencies and regulatory associations in order to improve**  
5 **efficiencies and reduce regulatory burden by standardizing methods or procedures, and**  
6 **sharing resources, records, or related information obtained under sections 361.900 to**  
7 **361.1035;**

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

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

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

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

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

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

23           **3. The director shall promulgate all necessary rules and regulations for the**  
24 **administration of sections 361.900 to 361.1035. Any rule or portion of a rule, as that**  
25 **term is defined in section 536.010, that is created under the authority delegated in this**

26 section shall become effective only if it complies with and is subject to all of the  
27 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter  
28 536 are nonseverable and if any of the powers vested with the general assembly  
29 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul  
30 a rule are subsequently held unconstitutional, then the grant of rulemaking authority  
31 and any rule proposed or adopted after August 28, 2024, shall be invalid and void.

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

12           **(1) Collect and maintain records;**

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

14           **(3) Process fees; and**

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

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

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

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

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

**361.936. 1. Applicants for a license shall apply in a form and in a medium as**  
2 **prescribed by the director. Each such form shall contain content as set forth by rule,**  
3 **regulation, instruction, or procedure of the director and may be changed or updated by**  
4 **the director in accordance with applicable law in order to carry out the purposes of**  
5 **sections 361.900 to 361.1035 and maintain consistency with licensing standards and**  
6 **practices. The application shall state or contain, as applicable:**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

39           **(4) The legal name, any fictitious or trade name, all business and residential**  
40 **addresses, and the employment, as applicable, in the ten-year period next preceding the**  
41 **submission of the application of each key individual and person in control of the**  
42 **applicant;**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

38 (c) Employment history;

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

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

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

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

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

10 (a) The application is approved; and

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

13

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

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

19 assessment of the substance of the application or of the sufficiency of the information  
20 provided.

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

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

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

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

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

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

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

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

361.945. 1. A license under sections 361.900 to 361.1035 shall be renewed  
2 annually. An annual renewal fee, to be determined by the director, shall be paid no

3 more than sixty days before the license expiration. The renewal term shall be for a  
4 period of one year and shall begin on January first of each year after the initial license  
5 term and shall expire on December thirty-first of the year the renewal term begins.

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

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

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

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

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

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

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

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

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

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

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

18 5. When an application for acquisition of control under this section appears to  
19 include all the items and address all of the matters that are required, the application



20 shall be considered complete. The director shall promptly notify the applicant in a  
21 record of the date on which the application was determined to be complete, and:

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

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

26 (a) The application is approved; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

106 13. Before filing an application for approval to acquire control of a licensee, a  
107 person may request in writing a determination from the director as to whether the  
108 person would be considered a person in control of a licensee upon consummation of a  
109 proposed transaction. If the director determines that the person would not be a person  
110 in control of a licensee, the proposed person and transaction is not subject to the  
111 requirements of subsections 1 and 2 of this section.

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

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

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

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

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

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

6 2. Within ninety days of the date on which the notice provided under subsection  
7 1 of this section was determined to be complete, the director may issue a notice of  
8 disapproval of a key individual if the competence, experience, character, or integrity of

9 the individual would not be in the best interests of the public or the customers of the  
10 licensee to permit the individual to be a key individual of such licensee.

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

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

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

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

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

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

4 2. The report of condition shall include:

5 (1) Financial information at the licensee level;

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

9 (3) Permissible investments report;

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

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

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

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

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

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

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

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

361.963. 1. Each licensee shall submit a report of authorized delegates within forty-five days of the end of the calendar quarter. The director is authorized to utilize NMLS for the submission of the report required under this section, provided that such functionality is consistent with the requirements of this section.

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

(1) Company legal name;

(2) Taxpayer employer identification number;

(3) Principal provider identifier;

(4) Physical address, if any;

(5) Mailing address;

(6) Any business conducted in other states;

(7) Any fictitious or trade name;

(8) Contact person name, phone number, and email;

(9) Start date as licensee's authorized delegate;

(10) End date acting as licensee's authorized delegate, if applicable; and

(11) Any other information the director reasonably requires with respect to the authorized delegate.

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

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

7           (2) The filing of a petition by or against the licensee for receivership, the  
8 commencement of any other judicial or administrative proceeding for its dissolution or  
9 reorganization, or the making of a general assignment for the benefit of its creditors; or

10           (3) The commencement of a proceeding to revoke or suspend its license in a state  
11 or country in which the licensee engages in business or is licensed.

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

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

17           (2) An authorized delegate has been convicted of, or pled guilty or nolo  
18 contendere to, a felony involving an act of fraud, dishonesty, a breach of trust, or money  
19 laundering.

          361.969. A licensee and an authorized delegate shall file all reports required by  
2 federal currency reporting, record keeping, and suspicious activity reporting  
3 requirements as set forth in the Bank Secrecy Act and other federal and state laws  
4 pertaining to money laundering. The timely filing of a complete and accurate report  
5 required under this section with the appropriate federal agency is deemed compliant  
6 with the requirements of this section.

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

3           (1) A record of each outstanding money transmission obligation sold;

4           (2) A general ledger posted at least monthly containing all asset, liability, capital,  
5 income, and expense accounts;

6           (3) Bank statements and bank reconciliation records;

7           (4) Records of outstanding money transmission obligations;

8           (5) Records of each outstanding money transmission obligation paid within the  
9 three-year period;

10           (6) A list of the last known names and addresses of all of the licensee's authorized  
11 delegates; and

12           (7) Any other records the director reasonably requires by rule.

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

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

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

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

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

7           **(1) Adopt, and update as necessary, written policies and procedures reasonably**  
8 **designed to ensure that the licensee's authorized delegates comply with applicable state**  
9 **and federal law;**

10          **(2) Enter into a written contract that complies with subsection 4 of this section;**  
11 **and**

12          **(3) Conduct a reasonable risk-based background investigation sufficient for the**  
13 **licensee to determine whether the authorized delegate has complied and will likely**  
14 **comply with applicable state and federal law.**

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

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

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

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

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

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

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

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

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

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

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

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

49           **6. An authorized delegate of a licensee holds in trust for the benefit of the**  
50 **licensee all money net of fees received from money transmission. If any authorized**  
51 **delegate commingles any funds received from money transmission with any other funds**  
52 **or property owned or controlled by the authorized delegate, all commingled funds and**  
53 **other property shall be considered held in trust in favor of the licensee in an amount**  
54 **equal to the amount of money net of fees received from money transmission.**

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

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

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

8           **2. If the circuit court issues an order prohibiting a person from acting as an**  
9 **authorized delegate for any licensee under subsection 1 of this section, the licensee that**



10 brought the action shall report the order to the director within thirty days and shall  
11 report the order through NMLS within ninety days.

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

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

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

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

**361.987. 1. This section shall not apply to:**

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

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

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

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

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

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

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

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

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

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

**361.990. 1. This section shall not apply to:**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5           **2. Except for permissible investments enumerated in subsection 1 of section**  
6 **361.1008, the director, with respect to any licensee, may by rule limit the extent to which**

7 a specific investment maintained by a licensee within a class of permissible investments  
8 may be considered a permissible investment if the specific investment represents undue  
9 risk to customers not reflected in the market value of investments.

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

21 4. Upon the establishment of a statutory trust in accordance with subsection 3 of  
22 this section or when any funds are drawn on a letter of credit under subdivision (4) of  
23 subsection 1 of section 361.1008, the director shall notify the applicable regulator of each  
24 state in which the licensee is licensed to engage in money transmission, if any, of the  
25 establishment of the trust or the funds drawn on the letter of credit, as applicable.  
26 Notice shall be deemed satisfied if performed under a multistate agreement or through  
27 NMLS. Funds drawn on a letter of credit, and any other permissible investments held  
28 in trust for the benefit of the purchasers and holders of the licensee's outstanding money  
29 transmission obligations, are deemed held in trust for the benefit of such purchasers and  
30 holders on a pro rata and equitable basis in accordance with statutes under which  
31 permissible investments are required to be held in this state, and other states, as  
32 applicable. Any statutory trust established under this subsection shall be terminated  
33 upon extinguishment of all of the licensee's outstanding money transmission obligations.

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

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

2 (1) Cash, including demand deposits, savings deposits, and funds in such  
3 accounts held for the benefit of the licensee's customers in a federally insured depository  
4 financial institution, and cash equivalents, including automated clearinghouse items in  
5 transit to the licensee and automated clearinghouse items or international wires in

6 transit to a payee, cash in transit via armored car, cash in smart safes, cash in licensee-  
7 owned locations, debit card or credit card funded transmission receivables owed by any  
8 bank, or money market mutual funds rated AAA by Standard & Poor's, or the  
9 equivalent from any eligible rating service;

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

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

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

20 (5) The full drawable amount of an irrevocable standby letter of credit for which  
21 the stated beneficiary is the director that stipulates that the beneficiary need draw only  
22 a sight draft under the letter of credit and present it to obtain funds up to the letter of  
23 credit amount within seven days of presentation of the items required by paragraph (d)  
24 of this subdivision. The letter of credit shall:

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

29 a. Bears an eligible rating or whose parent company bears an eligible rating; and  
30 b. Is regulated, supervised, and examined by United States federal or state  
31 authorities having regulatory authority over banks, credit unions, and trust companies;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

95           **(b) Commercial paper bearing an eligible rating;**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

**361.1020. The director may enter into a consent order at any time with a person**  
2 **to resolve a matter arising under sections 361.900 to 361.1035 or a rule adopted or order**  
3 **issued under sections 361.900 to 361.1035. A consent order shall be signed by the person**  
4 **to whom it is issued or by the person's authorized representative and shall indicate**

5 agreement with the terms contained in the order. A consent order may provide that it  
6 does not constitute an admission by a person that sections 361.900 to 361.1035 or a rule  
7 adopted or an order issued under sections 361.900 to 361.1035 has been violated.

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

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

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

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

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

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

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

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

10 5. A person that is served with an order to cease and desist for violating section  
11 361.930 may petition the circuit court with jurisdiction for a judicial order setting aside,  
12 limiting, or suspending the enforcement, operation, or effectiveness of the order pending  
13 the completion of an administrative proceeding under chapter 536.

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

2 **361.1032. In applying and construing sections 361.900 to 361.1035, consideration**  
3 **shall be given to the need to promote uniformity of the law with respect to its subject**  
4 **matter among states that enact it.**

2 **361.1035. 1. A person licensed in this state to engage in the business of money**  
3 **transmission shall not be subject to the provisions of sections 361.900 to 361.1035 to the**  
4 **extent that they conflict with current law or establish new requirements not imposed**  
5 **under current law, until such time as the licensee renews the licensee's current license.**

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

2 **374.190. 1. The director shall examine and inquire into all violations of the insurance**  
3 **laws of the state, and inquire into and investigate the business of insurance transacted in this**  
4 **state by any insurance agent, broker, agency or insurance company.**

5 **2. He or any of his duly appointed agents may compel the attendance before him, and**  
6 **may examine, under oath, the directors, officers, agents, employees, solicitors, attorneys or**  
7 **any other person, in reference to the condition, affairs, management of the business, or any**  
8 **matters relating thereto. He may administer oaths or affirmations, and shall have power to**  
9 **summon and compel the attendance of witnesses, and to require and compel the production of**  
10 **records, books, papers, contracts or other documents, if necessary.**

11 **3. The director may make and conduct the investigation in person, or he may appoint**  
12 **one or more persons to make and conduct the same for him. If made by another than the**  
13 **director in person, the person duly appointed by the director shall have the same powers as**  
14 **above granted to the director. A certificate of appointment, under the official seal of the**  
15 **director, shall be sufficient authority and evidence thereof for the person or persons to act.**  
16 **For the purpose of making the investigations, or having the same made, the director may**  
17 **employ the necessary clerical, actuarial and other assistance.**

18 **4. Notwithstanding any provision of law to the contrary, the confidentiality**  
19 **provisions of section 374.205, including subdivision (5) of subsection 3 of section**  
20 **374.205, and subsection 4 of section 374.205, shall apply to all reports, working papers,**  
21 **recorded information, documents, and copies thereof, produced by, obtained by, or**  
22 **disclosed to the director or any other person in the course of any market conduct**  
23 **investigation or market conduct action.**

2 **374.192. 1. Notwithstanding any provision of law to the contrary, a regulated**  
3 **entity shall have not less than thirty calendar days to submit any record or material**

3 requested by the department. This subsection shall not apply to requests for records or  
4 materials by the division of consumer affairs or to requests for information on forms  
5 submitted under section 375.920.

6       2. Notwithstanding any provision of law to the contrary, any record or  
7 document, regardless of physical form or characteristic, maintained beyond the record  
8 retention period specified in section 374.205 shall not be subject to request or review by  
9 the director unless the director has substantial and competent evidence that the  
10 regulated entity has willfully engaged in an act or omission constituting a level four or  
11 five violation of the laws of this state relating to insurance, including this chapter,  
12 chapter 354, and chapters 375 to 385, or has been convicted of any felony related to the  
13 business of insurance, in which case the director may request or review records or  
14 documents maintained beyond the record retention period specified in section 374.205  
15 that directly relate to the violation or conviction.

375.1183. 1. Contracts reinsuring policies of life or health insurance or annuities  
2 referred to in section 375.1178 issued by a ceding insurer that has been placed in  
3 conservation or rehabilitation proceedings under sections 375.1150 to 375.1246 shall be  
4 continued or terminated under the terms and conditions of each contract and the  
5 provisions of this section.

6       2. Contracts reinsuring policies of life or health insurance or annuities referred  
7 to in section 375.1178 issued by a ceding insurer that has been placed into liquidation  
8 under sections 375.1150 to 375.1246 shall be continued, subject to the provisions of this  
9 section, unless:

10       (1) The contracts were terminated pursuant to their terms prior to the date of  
11 the order of liquidation; or

12       (2) The contracts were terminated pursuant to the order of liquidation, in which  
13 case the provisions of subsection 9 of this section shall apply.

14       3. (1) At any time within one hundred eighty days of the date of the order of  
15 liquidation, a guaranty association covering policies of life or health insurance or  
16 annuities referred to in section 375.1178, in whole or in part, may elect to assume the  
17 rights and obligations of the ceding insurer that relate to the policies or annuities under  
18 any one or more reinsurance contracts between the ceding insurer and its reinsurers.  
19 Any such assumption shall be effective as of the date of the order of liquidation. The  
20 election shall be made by the guaranty association or the national organization of life  
21 and health insurance guaranty associations on its behalf by sending written notice,  
22 return receipt requested, to the affected reinsurers.

23           **(2) To facilitate the decision, the receiver and each affected reinsurer shall make**  
24 **available upon request to the guaranty association or to the national organization of life**  
25 **and health insurance guaranty associations on its behalf:**

26           **(a) Copies of in-force reinsurance contracts and all related files and records**  
27 **relevant to the determination of whether such contracts should be assumed; and**

28           **(b) Notices of any defaults under the reinsurance contracts or any known event**  
29 **or condition which with the passage of time could become a default under the**  
30 **reinsurance contracts.**

31           **(3) Paragraphs (a) through (d) of this subdivision shall apply to reinsurance**  
32 **contracts so assumed by a guaranty association:**

33           **(a) The guaranty association shall be responsible for all unpaid premiums due**  
34 **under the reinsurance contracts, for periods both before and after the date of the order**  
35 **of liquidation, and shall be responsible for the performance of all other obligations to be**  
36 **performed after the date of the order of liquidation.**

37           **(b) The guaranty association shall be entitled to any amounts payable by the**  
38 **reinsurer under the reinsurance contracts with respect to losses or events that occur in**  
39 **periods on or after the date of the order of liquidation.**

40           **(c) Within thirty days following the date of the guaranty association's election to**  
41 **assume a reinsurance contract, the guaranty association and the reinsurer shall**  
42 **calculate the balance due to or from the guaranty association under each reinsurance**  
43 **contract as of the date of such election, and the guaranty association or reinsurer shall**  
44 **pay any remaining balance due the other within thirty-five days of the date of such**  
45 **election. Any disputes over the amounts due to either the guaranty association or the**  
46 **reinsurer shall be resolved by arbitration pursuant to the terms of the affected**  
47 **reinsurance contract or, if the contract contains no arbitration clause, pursuant to the**  
48 **provisions of subdivision (3) of subsection 9 of this section.**

49           **(d) If the guaranty association, or receiver on behalf of such guaranty**  
50 **association, within sixty days of the date of the guaranty association's election to assume**  
51 **a reinsurance contract, pays the unpaid premiums due for periods both before and after**  
52 **the date of such election that are due pursuant to the reinsurance contract, the reinsurer**  
53 **shall not be entitled to terminate the reinsurance contract for failure to pay premiums,**  
54 **and shall not be entitled to set off any unpaid amounts due under other contracts, or**  
55 **unpaid amounts due from parties other than the guaranty association, against amounts**  
56 **due such guaranty association.**

57           **4. If a receiver continues policies of life or health insurance or annuities referred**  
58 **to in section 375.1178 in force following an order of liquidation, and the policies or**  
59 **annuities are not covered in whole or in part by one or more guaranty associations, the**

60 receiver may, within one hundred eighty days of the date of the order of liquidation,  
61 elect to assume the rights and obligations of the ceding insurer under any one or more of  
62 the reinsurance contracts that relate to the policies or annuities, provided the contracts  
63 have not been terminated as set forth in subsection 2 of this section. The election shall  
64 be made by sending written notice, return receipt requested, to the affected reinsurers.  
65 In that event, payment of premiums on the reinsurance contracts for the policies and  
66 annuities, for periods both before and after the date of the order of liquidation, shall be  
67 chargeable against the estate as a class 1 administrative expense. Amounts paid by the  
68 reinsurer on account of losses on the policies and annuities shall be to the estate of the  
69 ceding insurer.

70       **5. During the period from the date of the order of liquidation until the date the**  
71 **guaranty association or the receiver elects to assume the rights and obligations of the**  
72 **ceding insurer under any one or more of the reinsurance contracts that relate to the**  
73 **policies or annuities as provided for in subsection 3 or 4 of this section, the guaranty**  
74 **association, the receiver, and the reinsurer shall not have any rights or obligations under**  
75 **any reinsurance contract that is eligible for assumption by such association or the**  
76 **receiver.**

77       **6. (1) If the guaranty association or the receiver, as the case may be, has timely**  
78 **elected to assume a reinsurance contract pursuant to subsection 3 or 4 of this section, as**  
79 **applicable, the parties' rights and obligations shall be governed by the provisions of**  
80 **subsection 3 or 4 of this section, as applicable.**

81       **(2) Where the guaranty association covering policies of life or health insurance**  
82 **or annuities referred to in section 375.1178 or the receiver, as the case may be, does not**  
83 **timely elect to assume a reinsurance contract pursuant to subsection 3 or 4 of this**  
84 **section, as applicable, the reinsurance contract shall be terminated retroactively**  
85 **effective on the date of the order of liquidation and subsection 9 of this section shall**  
86 **apply.**

87       **7. When policies of life or health insurance or annuities referred to in section**  
88 **375.1178, or the obligations of the guaranty association with respect thereto, are**  
89 **transferred to an assuming insurer, reinsurance on the policies or annuities may also be**  
90 **transferred by the guaranty association, in the case of contracts assumed under**  
91 **subsection 3 of this section, or the receiver, in the case of contracts assumed under**  
92 **subsection 4 of this section, subject to the following:**

93       **(1) Unless the reinsurer and the assuming insurer agree otherwise, the**  
94 **reinsurance contract transferred shall not cover any new policies or annuities in**  
95 **addition to those transferred;**

96           **(2) The obligations described in subsections 3 and 4 of this section shall no**  
97 **longer apply with respect to matters arising after the effective date of the transfer; and**

98           **(3) Notice shall be given in writing, return receipt requested, by the transferring**  
99 **party to the affected reinsurer not less than thirty days prior to the effective date of the**  
100 **transfer.**

101           **8. The provisions of this section shall, to the extent provided in sections 375.1150**  
102 **to 375.1246, supersede the provisions of any law or of any affected reinsurance contract**  
103 **that provides for or requires any payment of reinsurance proceeds, on account of losses**  
104 **or events that occur in periods after the date of the order of liquidation, to the receiver**  
105 **of the ceding insurer or any other person. The receiver shall remain entitled to any**  
106 **amounts payable by the reinsurer under the reinsurance contracts with respect to losses**  
107 **or events that occur in periods prior to the date of the order of liquidation, subject to**  
108 **provisions of sections 375.1150 to 375.1246 including applicable setoff provisions.**

109           **9. When a reinsurance contract is terminated pursuant to sections 375.1150 to**  
110 **375.1246, the reinsurer and the receiver shall commence a mandatory negotiation**  
111 **procedure in accordance with this subsection:**

112           **(1) No later than thirty days after the date of termination, each party shall**  
113 **appoint an actuary to determine an estimated sum due as a result of the termination of**  
114 **the reinsurance contract calculated in a way expected to make the parties economically**  
115 **indifferent as to whether the reinsurance contract continues or terminates, giving due**  
116 **regard to the economic effects of the insolvency. The sum shall take into account the**  
117 **present value of future cash flows expected under the reinsurance contract and be based**  
118 **on a gross premium valuation of net liability using current assumptions that reflect post-**  
119 **insolvency experience expectations, with no additional margins, net of any amounts**  
120 **payable and receivable, with a market value adjustment to reflect premature sale of**  
121 **assets to fund the settlement;**

122           **(2) Within ninety days of the date of termination, each party shall provide the**  
123 **other party with its estimate of the sum due as a result of the termination of the**  
124 **reinsurance contract, together with all relevant documents and other information**  
125 **supporting the estimate. The parties shall make a good faith effort to reach agreement**  
126 **on the sum due;**

127           **(3) If the parties are unable to reach agreement within ninety days following the**  
128 **submission of materials required in subdivision (2) of this subsection, either party may**  
129 **initiate arbitration proceedings as provided in the reinsurance contract. In the event**  
130 **that the reinsurance contract does not contain an arbitration clause, either party may**  
131 **initiate arbitration pursuant to this subdivision by providing the other party with a**

132 written demand for arbitration. The arbitration shall be conducted pursuant to the  
133 following procedures:

134 (a) Venue for the arbitration shall be within the county of the court's jurisdiction  
135 pursuant to section 375.1154, or another location agreed to by the parties;

136 (b) Within thirty days of the responding party's receipt of the arbitration  
137 demand, each party shall appoint an arbitrator who is a disinterested active or retired  
138 officer or executive of a life or health insurance or reinsurance company, or other  
139 professional with no less than ten years' experience in or relating to the field of life or  
140 health insurance or reinsurance. The two arbitrators shall appoint an independent,  
141 impartial, disinterested umpire who is an active or retired officer or executive of a life or  
142 health insurance or reinsurance company, or other professional with no less than ten  
143 years' experience in the field of life or health insurance or reinsurance. If the  
144 arbitrators are unable to agree on an umpire, each arbitrator shall provide the other  
145 with the names of three qualified individuals, each arbitrator shall strike two names  
146 from the other's list, and the umpire shall be chosen by drawing lots from the remaining  
147 individuals;

148 (c) Within sixty days following the appointment of the umpire, the parties shall,  
149 unless otherwise ordered by the panel, submit to the arbitration panel their estimates of  
150 the sum due as a result of the termination of the reinsurance contract, together with all  
151 relevant documents and other information supporting the estimate;

152 (d) The time periods set forth in these paragraphs may be extended upon mutual  
153 agreement of the parties;

154 (e) The panel shall have all powers necessary to conduct the arbitration  
155 proceedings in a fair and appropriate manner, including the power to request additional  
156 information from the parties, authorize discovery, hold hearings, and hear testimony.  
157 The panel also may appoint independent actuarial experts, the expense of which shall be  
158 shared equally between the parties;

159 (4) An arbitration panel considering the matters set forth in this subsection shall  
160 apply the standards set forth in this subsection and shall issue a written award  
161 specifying a net settlement amount due from one party or the other as a result of the  
162 termination of the reinsurance contract. The receivership court shall confirm that  
163 award absent proof of statutory grounds for vacating or modifying arbitration awards  
164 under the Federal Arbitration Act;

165 (5) If the net settlement amount agreed or awarded pursuant to this subsection is  
166 payable by the reinsurer, the reinsurer shall pay the amount due to the estate subject to  
167 any applicable set-off under section 375.1198. If the net settlement amount agreed or  
168 awarded pursuant to this subsection is payable by the ceding insurer, the reinsurer shall



169 **be deemed to have a timely filed claim against the estate for that amount, which claim**  
170 **shall be paid pursuant to the priority established in subsection 5 of section 375.1218.**  
171 **The affected guaranty associations shall not be entitled to receive the net settlement**  
172 **amount, except to the extent they are entitled to share in the estate assets as creditors of**  
173 **the estate, and shall have no responsibility for the net settlement amount.**

174 **10. Except as otherwise provided in this section, nothing in this section shall alter**  
175 **or modify the terms and conditions of any reinsurance contract. Nothing in this section**  
176 **shall abrogate or limit any rights of any reinsurer to claim that it is entitled to rescind a**  
177 **reinsurance contract. Nothing in this section shall give a policyholder or beneficiary an**  
178 **independent cause of action against a reinsurer that is not otherwise set forth in the**  
179 **reinsurance contract. Nothing in this section shall limit or affect any guaranty**  
180 **association's rights as a creditor of the estate against the assets of the estate. Nothing in**  
181 **this section shall apply to reinsurance contracts covering property or casualty risks.**

182 **11. This section and subdivision (10) of subsection 1 of section 376.734 shall be**  
183 **construed together in a manner that is consistent with each other and with the purpose**  
184 **provided for in section 376.715.**

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

2 (1) "Department", the department of commerce and insurance;

3 (2) "Director", the director of the department of commerce and insurance;

4 (3) "Limited lines self-service storage insurance producer", an owner, operator, lessor,  
5 or sublessor of a self-service storage facility, or an agent or other person authorized to manage  
6 the facility, duly licensed by the department of commerce and insurance;

7 (4) "Offer and disseminate", provide general information, including a description of  
8 the coverage and price, as well as process the application, collect premiums, and perform  
9 other nonlicensable activities permitted by the state;

10 (5) "Self-service storage insurance", insurance coverage for the loss of, or damage to,  
11 tangible personal property in a self-service storage facility as defined in section 415.405 or in  
12 transit during the rental period.

13 2. Notwithstanding any other provision of law:

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

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

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

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

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

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

26 (b) At the time of licensure, the limited lines self-service storage insurance producer  
27 shall establish and maintain a register on a form prescribed by the director of each individual  
28 that offers self-service storage insurance on the limited lines self-service storage insurance  
29 producer's behalf. The register shall be maintained and updated annually by the limited lines  
30 self-service storage insurance producer and shall include the name, address, and contact  
31 information of the limited lines self-service storage insurance producer and an officer or  
32 person who directs or controls the limited lines self-service storage insurance producer's  
33 operations, and the self-service storage facility's federal tax identification number. The  
34 limited lines self-service storage insurance producer shall submit such register within thirty  
35 days upon request by the department. The limited lines self-service storage insurance  
36 producer shall also certify that each individual listed on the self-service storage register  
37 complies with 18 U.S.C. Section 1033;

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

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

47 a. Is at least eighteen years of age;

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

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

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

53 (e) Individuals applying for limited lines self-service storage insurance producer  
54 licenses shall be exempt from examination. The director may require any documents  
55 reasonably necessary to verify the information contained in an application. Within thirty  
56 working days after the change of any information submitted on the application, the self-  
57 service storage insurance producer shall notify the director of the change. No fee shall be  
58 charged for any such change. If the director has taken no action within twenty-five working

59 days of receipt of an application, the application shall be deemed approved and the applicant  
60 may act as a licensed self-service storage insurance producer, unless the applicant has  
61 indicated a conviction for a felony or a crime involving moral turpitude;

62 (f) The limited lines self-service storage insurance producer requires each employee  
63 and authorized representative of the self-service storage insurance producer whose duties  
64 include offering and disseminating self-service storage insurance to receive a program of  
65 instruction or training provided or authorized by the insurer or supervising entity that has  
66 been reviewed and approved by the director. The training material shall, at a minimum,  
67 contain instructions on the types of insurance offered, ethical sales practices, and required  
68 disclosures to prospective customers;

69 (2) Any individual offering or disseminating self-service storage insurance shall  
70 provide to prospective purchasers brochures or other written materials that:

71 (a) Provide the identity and contact information of the insurer and any third-party  
72 administrator or supervising entity authorized to act on behalf of the insurer;

73 (b) Explain that the purchase of self-service storage insurance is not required in order  
74 to lease self-storage units;

75 (c) Explain that an unlicensed self-service storage operator is permitted to provide  
76 general information about the insurance offered by the self-service storage operator, including  
77 a description of the coverage and price, but is not qualified or authorized to answer technical  
78 questions about the terms and conditions of the insurance offered by the self-service storage  
79 operator or to evaluate the adequacy of the customer's existing insurance coverage; and

80 (d) Disclose that self-service storage insurance may provide duplication of coverage  
81 already provided by an occupant's, homeowner's, renter's, or other source of coverage;

82 (3) A limited lines self-service storage producer's employee or authorized  
83 representative, who is not licensed as an insurance producer, may not:

84 (a) Evaluate or interpret the technical terms, benefits, and conditions of the offered  
85 self-service storage insurance coverage;

86 (b) Evaluate or provide advice concerning a prospective purchaser's existing  
87 insurance coverage; or

88 (c) Hold themselves or itself out as a licensed insurer, licensed producer, or insurance  
89 expert;

90 (4) If self-service storage insurance is offered to the customer, premium or other  
91 charges specifically applicable to self-service storage insurance shall be listed as a separate  
92 amount and apart from other charges relating to the lease and/or procurement of a self-service  
93 storage unit on all documentation pertinent to the transaction.

94 3. Notwithstanding any other provision of law, a limited lines self-service storage  
95 insurance provider whose insurance-related activities, and those of its employees and

96 authorized representatives, are limited to offering and disseminating self-service storage  
97 insurance on behalf of and under the direction of a limited lines self-service storage insurance  
98 producer meeting the conditions stated in this section is authorized to do so and receive  
99 related compensation, upon registration by the limited lines self-service storage insurance  
100 producer as described in paragraph (b) of subdivision (1) of subsection 2 of this section.

101 4. Self-service storage insurance may be provided under an individual policy or under  
102 a group or master policy.

103 5. Limited lines self-service storage insurance producers, operators, employees and  
104 authorized representatives offering and disseminating self-service storage insurance under the  
105 limited lines self-service storage insurance producer license shall be subject to the provisions  
106 of chapters 374 and 375, except as provided for in this section.

107 6. Limited lines self-service storage insurance producers, operators, employees and  
108 authorized representatives may offer and disseminate self-service storage insurance policies  
109 in an amount not to exceed [~~five~~] **fifteen** thousand dollars of coverage per customer per  
110 storage unit.

111 7. The director may promulgate rules to effectuate this section. Any rule or portion of  
112 a rule, as that term is defined in section 536.010, that is created under the authority delegated  
113 in this section shall become effective only if it complies with and is subject to all of the  
114 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536  
115 are nonseverable and if any of the powers vested with the general assembly pursuant to  
116 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
117 subsequently held unconstitutional, then the grant of rulemaking authority and any rule  
118 proposed or adopted after August 28, 2016, shall be invalid and void.

**380.621. 1. This section shall be known and may be cited as the "Protecting  
2 Missouri's Mutual Insurance Companies Act".**

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

**4 (1) "Adequate reinsurance", commercially available reinsurance as deemed  
5 appropriate by the board of directors of the company;**

**6 (2) "Unlimited aggregate reinsurance", aggregate reinsurance coverage where  
7 the losses covered by the reinsurer are not limited.**

**8 3. Notwithstanding any provision of law to the contrary, the authority expressly  
9 granted in this chapter shall be the sole authority granted to the department over any  
10 Missouri mutual insurance company operating under the provisions of this chapter,  
11 provided that any provisions regarding premium taxation set forth in chapter 148 that  
12 are applicable to Missouri mutual insurance companies shall remain applicable to  
13 Missouri mutual insurance companies and further, provided that chapter 382 shall  
14 remain applicable to any Missouri mutual insurance company that is a member of, or is**

15 seeking to become a member of, an "insurance holding company system", as that term  
16 is defined in section 382.010, provided that any examination authorized by chapter 382  
17 shall comply with subsections 6 and 7 of this section where a Missouri mutual insurance  
18 company owns, in whole or part, an affiliate subject to examination. The department  
19 shall not require any company operating under the provisions of this chapter to waive  
20 any rights, benefits, or requirements specified in this chapter, nor shall it confer  
21 favorable treatment in exchange for, nor condition the granting of any exception upon,  
22 any company conceding additional regulatory oversight by the department. If the  
23 department and any company operating under the provisions of this chapter have  
24 entered into any agreement in which the department has received concessions including,  
25 but not limited to, additional regulatory oversight beyond the authority expressly  
26 granted in this chapter, such agreement as it relates to the department's authority is  
27 void upon the enactment of this section, but such agreement shall remain in full force  
28 and effect for the stated duration of the agreement as it relates to any benefits,  
29 allowances, or exemptions granted to the company by the agreement.

30 4. (1) Notwithstanding any provision of law to the contrary, nothing in this  
31 chapter nor any regulation promulgated by the department including, but not limited  
32 to, any regulation promulgated under sections 374.045, 380.021, 380.271, and 380.561,  
33 shall require or be construed to require any company operating under the provisions of  
34 this chapter to acquire or carry reinsurance greater than adequate reinsurance  
35 including, but not limited to, unlimited aggregate reinsurance. Nothing in this section  
36 shall be construed to limit the option of an offer of unlimited aggregate reinsurance.

37 (2) Missouri mutual insurance companies operating under the provisions of this  
38 chapter shall annually file the following with the director no later than March first of  
39 each calendar year:

40 (a) Documentation from the reinsurer or broker of its reinsurance program,  
41 such as the reinsurance coverage summary or other similar documentation; and

42 (b) A resolution from the company's board of directors stating that:

43 a. The board has reviewed the terms of the reinsurance obtained by the company  
44 and believes it is sufficient to protect the financial stability of the company for the  
45 upcoming calendar year;

46 b. The board agrees to notify the director within fifteen days after any event, or  
47 as soon as practicable thereafter if adverse development occurs to trigger this  
48 notification, that is expected to exceed the company's aggregate or catastrophe  
49 attachment point or could cause the company's reinsurance coverage to be exhausted;  
50 and

51           c. The board agrees to notify the director within fifteen days after the company  
52 identifies liquidity concerns that could impact the company's ability to pay claims or  
53 determines that the company's surplus is less than its admitted assets minus liabilities  
54 plus the reserve fund or adequate guaranty fund required by section 380.021 or 380.271,  
55 as applicable.

56           5. Notwithstanding any provision of law to the contrary including, but not  
57 limited to, the provisions of section 380.321, the director shall not have the authority to  
58 hold a hearing regarding a proposed merger of companies operating pursuant to the  
59 provisions of this chapter unless the director has substantial and competent evidence to  
60 believe the proposed merger will prejudice the interests of the policyholders of the  
61 companies. The director shall have fifteen business days to review the petition for  
62 merger and, upon substantial and competent evidence to believe the proposed merger  
63 will prejudice the interests of the policyholders of the companies, send a written notice  
64 of a hearing regarding the proposed merger. The written notice of hearing shall itemize  
65 the reasons why the director believes the proposed merger will prejudice the  
66 policyholders of the companies and shall include the date of a hearing regarding the  
67 proposed merger no earlier than thirty days and no later than sixty days after the notice  
68 of hearing is received by the companies involved in the proposed merger.

69           6. All working papers, recorded information, documents, and copies thereof,  
70 produced by, obtained by, or disclosed to the department or any other person in the  
71 course of an examination made under this chapter shall be confidential and not subject  
72 to subpoena and shall not be made public by the department or shared with any other  
73 person, except as follows:

74           (1) Upon adoption, the director may open the final examination report for public  
75 inspection;

76           (2) The director may disclose the content of an examination report, preliminary  
77 examination report or results, or any matter relating thereto, to the insurance  
78 department of this or any other state or country, or to law enforcement officials of this  
79 or any other state or agency of the federal government at any time, so long as such  
80 agency or office receiving the report or matters relating thereto agrees in writing to hold  
81 it confidential and in a manner consistent with this section; and

82           (3) In the event the director determines that legal or regulatory action is  
83 appropriate as a result of any examination, he or she may initiate any proceedings or  
84 actions as provided by law.

85           7. (1) Notwithstanding the provisions of section 380.491, the department shall  
86 not charge a rate for examinations in excess of a reasonable fee. A reasonable fee is

87 determined by the average market rate typically charged by third-party vendors for  
88 such services.

89 (2) At any time after notification of the commencement of an examination and  
90 through its completion, a company may request on a prospective basis that the  
91 department's monthly examination billing statements include the following additional  
92 details:

93 (a) Hours billed for an examination shall be recorded in a billing statement  
94 provided to the company each month that sets forth the time spent, using fifteen-minute  
95 increments, for each billing examiner multiplied by the applicable hourly rate;

96 (b) Billing statements shall include a short and concise statement of the work  
97 performed during the month to which the billing statement applies by the billing  
98 examiner for each period of time spent on the examination;

99 (c) The hourly rate for a department employee shall be listed on the billing  
100 statement and shall include the employee's salary, benefits, and other expenses of the  
101 examination;

102 (d) The hourly rate for a third-party vendor shall be the lowest and best hourly  
103 rate obtained by the department by and through the state procurement process; and

104 (e) Billing statements shall also include any other expenses of the examination,  
105 including travel expenses, as allowed by section 380.491.

106 (3) At any time after notification of the commencement of an examination and  
107 through its completion, a company may request a scheduling conference with the  
108 department to discuss the following:

109 (a) The purpose and scope of the examination;

110 (b) The estimated costs of the examination;

111 (c) The types of information that the company will be asked to produce;

112 (d) The most efficient means of conducting the examination; and

113 (e) Any alternative approaches in conducting the examination that would be  
114 more convenient, less burdensome, or less expensive for the company while still  
115 providing for an effective examination by the department.

116 (4) (a) No more than thirty days after the scheduling conference, the department  
117 shall provide the company with a detailed written budget estimate for the examination  
118 that shall, for each forthcoming phase of the examination:

119 a. Identify the individuals or firms performing the examination and their daily  
120 or hourly rates;

121 b. Provide an estimate of travel, lodging, meal, and other administrative or  
122 supply costs; and

123           c. Estimate the length of time necessary to conduct on-site and off-site  
124 examination activities.

125           (b) Within fifteen days of receipt of a budget estimate under paragraph (a) of  
126 this subdivision, the company and the department shall have an additional discussion  
127 regarding the most efficient means of conducting the examination and producing  
128 information. If necessary, revisions of the budget estimate shall be made.

129           (c) The time periods under paragraphs (a) and (b) of this subdivision may be  
130 extended if the company and the department mutually agree to the extension.

131           (d) At any time during the examination, the department shall hold another  
132 scheduling conference with the company in accordance with the provisions of this  
133 subsection and provide a revised budget estimate as set forth in paragraph (a) of this  
134 subdivision if:

135           a. The department determines that the cost of the examination will exceed the  
136 stated estimated budget by more than ten percent; or

137           b. There is a material change in staffing.

**380.631. 1. This section applies to any company operating under the provisions  
2 of this chapter.**

3           **2. Notwithstanding any provision of law to the contrary including, but not  
4 limited to, the definition of "insolvent" under section 375.1152, a company operating  
5 under the provisions of this chapter is "insolvent" as such term is used in sections  
6 375.1150 to 375.1246, if it is unable to pay its obligations when they are due, or if its  
7 admitted assets do not exceed its liabilities plus the reserve fund or adequate guaranty  
8 fund required by section 380.021 or 380.271, as applicable.**

9           **3. Notwithstanding any provision of law to the contrary including, but not  
10 limited to, the specific exception under subdivision (1) of subsection 2 of section  
11 375.1150, the provisions of sections 375.1150 to 375.1246 shall apply to all companies  
12 operating under the provisions of this chapter, except that such companies shall not be  
13 subject to sections 375.1160 to 375.1164. Sections 375.570 to 375.750 shall apply to such  
14 proceedings.**

15           **4. Notwithstanding any provision of law to the contrary including, but not  
16 limited to, the definition of "insolvent insurer" under section 375.772, a company  
17 operating under the provisions of this chapter is an "insolvent insurer" as such term is  
18 used in sections 375.771 to 375.779, upon the entry of a final order of liquidation with a  
19 finding of insolvency by a court of competent jurisdiction under the applicable  
20 provisions of sections 375.1150 to 375.1246, unless such order of liquidation has been  
21 stayed or been the subject of a writ of supersedeas or other comparable order.**



408.035. Notwithstanding the provisions of any other law to the contrary, it is lawful  
2 for the parties to agree in writing to any rate of interest, fees, and other terms and conditions  
3 in connection with any:

4 (1) Loan to a corporation, general partnership, limited partnership or limited liability  
5 company;

6 (2) Extension of credit primarily for agricultural, business, or commercial purposes;

7 (3) Real estate loan, other than residential real estate loans [~~and loans of less than five~~  
8 ~~thousand dollars secured by real estate used for an agricultural activity~~]; or

9 (4) Loan of five thousand dollars or more secured solely by certificates of stock,  
10 bonds, bills of exchange, certificates of deposit, warehouse receipts, or bills of lading pledged  
11 as collateral for the repayment of such loans.

408.140. 1. No further or other charge or amount whatsoever shall be directly or  
2 indirectly charged, contracted for or received for interest, service charges or other fees as an  
3 incident to any such extension of credit except as provided and regulated by sections 367.100  
4 to 367.200 and except:

5 (1) On loans for thirty days or longer which are other than "open-end credit" as such  
6 term is defined in the federal Consumer Credit Protection Act and regulations thereunder, a  
7 fee, not to exceed ten percent of the principal amount loaned not to exceed one hundred  
8 dollars may be charged by the lender; however, no such fee shall be permitted on any  
9 extension, refinance, restructure or renewal of any such loan, unless any investigation is made  
10 on the application to extend, refinance, restructure or renew the loan;

11 (2) The lawful fees actually and necessarily paid out by the lender to any public  
12 officer for filing, recording, or releasing in any public office any instrument securing the loan,  
13 and reasonable and bona fide third-party fees incurred for remote or electronic filing, which  
14 fees may be collected when the loan is made or at any time thereafter; however, premiums for  
15 insurance in lieu of perfecting a security interest required by the lender may be charged if the  
16 premium does not exceed the fees which would otherwise be payable;

17 (3) If the contract so provides, a charge for late payment on each installment or  
18 minimum payment in default for a period of not less than fifteen days in an amount not to  
19 exceed five percent of each installment due or the minimum payment due or fifteen dollars,  
20 whichever is greater, not to exceed fifty dollars. If the contract so provides, a charge for late  
21 payment on each twenty-five dollars or less installment in default for a period of not less than  
22 fifteen days shall not exceed five dollars;

23 (4) If the contract so provides, a charge for late payment for a single payment note in  
24 default for a period of not less than fifteen days in an amount not to exceed five percent of the  
25 payment due; provided that, the late charge for a single payment note shall not exceed fifty  
26 dollars;

27 (5) Charges or premiums for insurance written in connection with any loan against  
28 loss of or damage to property or against liability arising out of ownership or use of property as  
29 provided in section 367.170; however, notwithstanding any other provision of law, with the  
30 consent of the borrower, such insurance may cover property all or part of which is pledged as  
31 security for the loan, and charges or premiums for insurance providing life, health, accident,  
32 or involuntary unemployment coverage;

33 (6) Reasonable towing costs and expenses of retaking, holding, preparing for sale,  
34 and selling any personal property in accordance with the uniform commercial code - secured  
35 transactions, sections 400.9-101 to 400.9-809;

36 (7) A reasonable service fee not to exceed the amount permitted under subdivision (2)  
37 of subsection 6 of section 570.120 for any check, draft, order, or like instrument that is  
38 returned unpaid by a financial institution, plus an amount equal to the actual fees charged by  
39 the financial institution for each check, draft, order, or like instrument returned unpaid;

40 (8) If the contract or promissory note, signed by the borrower, provides for attorney  
41 fees, and if it is necessary to bring suit, such attorney fees may not exceed fifteen percent of  
42 the amount due and payable under such contract or promissory note, together with any court  
43 costs assessed. The attorney fees shall only be applicable where the contract or promissory  
44 note is referred for collection to an attorney, and is not handled by a salaried employee of the  
45 holder of the contract;

46 (9) If the open-end credit contract is tied to a transaction account in a depository  
47 institution, such account is in the institution's assets and such contract provides for loans of  
48 thirty-one days or longer which are "open-end credit", as such term is defined in the federal  
49 Consumer Credit Protection Act and regulations thereunder, the creditor may charge a credit  
50 advance fee of up to the lesser of seventy-five dollars or ten percent of the credit advanced  
51 from time to time from the line of credit; such credit advance fee may be added to the open-  
52 end credit outstanding along with any interest, and shall not be considered the unlawful  
53 compounding of interest as specified under section 408.120;

54 (10) A deficiency waiver addendum, guaranteed asset protection, or a similar product  
55 purchased as part of a loan transaction with collateral and at the borrower's consent, provided  
56 the cost of the product is disclosed in the loan contract, is reasonable, and the requirements of  
57 section 408.380 are met;

58 (11) A convenience fee for payments using an alternative payment channel that  
59 accepts a debit or credit card not present transaction, nonface-to-face payment, provided that:

60 (a) The person making the payment is notified of the convenience fee; and

61 (b) The fee is fixed or flat, except that the fee may vary based upon method of  
62 payment used; **and**

63 **(12) A charge equal to the cost of the credit report.**

64           2. Other provisions of law to the contrary notwithstanding, an open-end credit  
65 contract under which a credit card is issued by a company, financial institution, savings and  
66 loan or other credit issuing company whose credit card operations are located in Missouri  
67 may charge an annual fee, provided that no finance charge shall be assessed on new purchases  
68 other than cash advances if such purchases are paid for within twenty-five days of the date of  
69 the periodic statement therefor.

70           3. Notwithstanding any other provision of law to the contrary, in addition to charges  
71 allowed pursuant to section 408.100, an open-end credit contract provided by a company,  
72 financial institution, savings and loan or other credit issuing company which is regulated  
73 pursuant to this chapter may charge an annual fee not to exceed fifty dollars.

**427.300. 1. This section shall be known, and may be cited as, the "Commercial  
2 Financing Disclosure Law".**

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

**4           (1) "Account";**

**5           (a) Includes:**

**6           a. A right to payment of a monetary obligation, regardless of whether earned by  
7 performance, for one of the following:**

**8           (i) Property that has been or is to be sold, leased, licensed, assigned, or otherwise  
9 disposed of;**

**10          (ii) Services rendered or to be rendered;**

**11          (iii) A policy of insurance issued or to be issued;**

**12          (iv) A secondary obligation incurred or to be incurred;**

**13          (v) Energy provided or to be provided;**

**14          (vi) The use or hire of a vessel under a charter or other contract;**

**15          (vii) Arising out of the use of a credit or charge card or information contained on  
16 or for use with the card; or**

**17          (viii) As winnings in a lottery or other game of chance operated or sponsored by  
18 a state, governmental unit of a state, or person licensed or authorized to operate the  
19 game by a state or governmental unit of a state; and**

**20          b. Health-care-insurance receivables; and**

**21          (b) does not include:**

**22           a. Rights to payment evidenced by chattel paper or an instrument;**

**23           b. Commercial tort claims;**

**24           c. Deposit accounts;**

**25           d. Investment property;**

**26           e. Letter-of-credit rights or letters of credit; or**

27           **f. Rights to payment for moneys or funds advanced or sold, other than rights**  
28 **arising out of the use of a credit or charge card or information contained on or for use**  
29 **with the card;**

30           **(2) "Accounts receivable purchase transaction", any transaction in which the**  
31 **business forwards or otherwise sells to the provider all or a portion of the business's**  
32 **accounts or payment intangibles at a discount to their expected value. The provider's**  
33 **characterization of an accounts receivable purchase transaction as a purchase is**  
34 **conclusive that the accounts receivable purchase transaction is not a loan or a**  
35 **transaction for the use, forbearance, or detention of money;**

36           **(3) "Broker", any person who, for compensation or the expectation of**  
37 **compensation, obtains a commercial financing transaction or an offer for a commercial**  
38 **financing transaction from a third party that would, if executed, be binding upon that**  
39 **third party and communicates that offer to a business located in this state. The term**  
40 **"broker" excludes a provider, or any individual or entity whose compensation is not**  
41 **based or dependent on the terms of the specific commercial financing transaction**  
42 **obtained or offered;**

43           **(4) "Business", an individual or group of individuals, sole proprietorship,**  
44 **corporation, limited liability company, trust, estate, cooperative, association, or limited**  
45 **or general partnership engaged in a business activity;**

46           **(5) "Business purpose transaction", any transaction where the proceeds are**  
47 **provided to a business or are intended to be used to carry on a business and not for**  
48 **personal, family, or household purposes. For purposes of determining whether a**  
49 **transaction is a business purpose transaction, the provider may rely on any written**  
50 **statement of intended purpose signed by the business. The statement may be a separate**  
51 **statement or may be contained in an application, agreement, or other document signed**  
52 **by the business or the business owner or owners;**

53           **(6) "Commercial financing facility", a provider's plan for purchasing multiple**  
54 **accounts receivable from the recipient over a period of time pursuant to an agreement**  
55 **that sets forth the terms and conditions governing the use of the facility;**

56           **(7) "Commercial financing transaction", any commercial loan, accounts**  
57 **receivable purchase transaction, commercial open-end credit plan or each to the**  
58 **extent the transaction is a business purpose transaction;**

59           **(8) "Commercial loan", a loan to a business, whether secured or unsecured;**

60           **(9) "Commercial open-end credit plan", commercial financing extended by any**  
61 **provider under a plan in which:**

62           **(a) The provider reasonably contemplates repeat transactions; and**

63           (b) The amount of financing that may be extended to the business during the  
64 term of the plan, up to any limit set by the provider, is generally made available to the  
65 extent that any outstanding balance is repaid;

66           (10) "Depository institution", any of the following:

67           (a) A bank, trust company, or industrial loan company doing business under the  
68 authority of, or in accordance with, a license, certificate, or charter issued by the United  
69 States, this state, or any other state, district, territory, or commonwealth of the United  
70 States that is authorized to transact business in this state;

71           (b) A federally chartered savings and loan association, federal savings bank, or  
72 federal credit union that is authorized to transact business in this state; or

73           (c) A savings and loan association, savings bank, or credit union organized  
74 under the laws of this or any other state that is authorized to transact business in this  
75 state;

76           (11) "General intangible", any personal property, including things in action,  
77 other than accounts, chattel paper, commercial tort claims, deposit accounts,  
78 documents, goods, instruments, investment property, letter-of-credit rights, letters of  
79 credit, money, and oil, gas, or other minerals before extraction. "General intangible"  
80 also includes payment intangibles and software;

81           (12) "Payment intangible", a general intangible under which the account  
82 debtor's principal obligation is a monetary obligation;

83           (13) "Provider", a person who consummates more than five commercial  
84 financing transactions to a business located in this state in any calendar year.  
85 "Provider" also includes a person that enters into a written agreement with a depository  
86 institution to arrange for the extension of a commercial financing transaction by the  
87 depository institution to a business via an online lending platform administered by the  
88 person. The fact that a provider extends a specific offer for a commercial financing  
89 transaction on behalf of a depository institution shall not be construed to mean that the  
90 provider engaged in lending or financing or originated that loan or financing.

91           3. (1) A provider that consummates a commercial financing transaction shall  
92 disclose the terms of the commercial financing transaction as required by this section.  
93 The disclosures shall be provided at or before consummation of the transaction. Only  
94 one disclosure is required for each commercial financing transaction, and a disclosure is  
95 not required as a result of the modification, forbearance, or change to a consummated  
96 commercial financing transaction.

97           (2) A provider shall disclose the following in connection with each commercial  
98 financing transaction:

99           **(a) The total amount of funds provided to the business under the terms of the**  
100 **commercial financing transaction agreement. This disclosure shall be labeled "Total**  
101 **Amount of Funds Provided";**

102           **(b) The total amount of funds disbursed to the business under the terms of the**  
103 **commercial financing transaction, if less than the total amount of funds provided, as a**  
104 **result of any fees deducted or withheld at disbursement and any amount paid to a third**  
105 **party on behalf of the business. This disclosure shall be labeled "Total Amount of Funds**  
106 **Disbursed";**

107           **(c) The total amount to be paid to the provider pursuant to the commercial**  
108 **financing transaction agreement. This disclosure shall be labeled "Total of Payments";**

109           **(d) The total dollar cost of the commercial financing transaction under the terms**  
110 **of the agreement, derived by subtracting the total amount of funds provided from the**  
111 **total of payments. This calculation shall include any fees or charges deducted by the**  
112 **provider from the "Total Amount of Funds Provided". This disclosure shall be labeled**  
113 **"Total Dollar Cost of Financing";**

114           **(e) The manner, frequency, and amount of each payment. This disclosure shall**  
115 **be labeled "Payments". If the payments may vary, the provider shall instead disclose**  
116 **the manner, frequency, and the estimated amount of the initial payment labeled**  
117 **"Estimated Payments" and the commercial financing transaction agreement shall**  
118 **include a description of the methodology for calculating any variable payment and the**  
119 **circumstances when payments may vary;**

120           **(f) A statement of whether there are any costs or discounts associated with**  
121 **prepayment of the commercial financing product including a reference to the paragraph**  
122 **in the agreement that creates the contractual rights of the parties related to prepayment.**  
123 **This disclosure shall be labeled "Prepayment"; and**

124           **(3) A provider that consummates a commercial financing facility may provide**  
125 **disclosures of this subsection which are based on an example of a transaction that could**  
126 **occur under the agreement. The example shall be based on an accounts receivable total**  
127 **face amount owed of ten thousand dollars. Only one disclosure is required for each**  
128 **commercial financing facility, and a disclosure is not required as result of a**  
129 **modification, forbearance, or change to the facility. A new disclosure is not required**  
130 **each time accounts receivable are purchased under the facility.**

131           **4. The provisions of this section shall not apply to the following:**

132           **(1) A provider that is a depository institution or a subsidiary or affiliate; A**  
133 **provider that is a service corporation to a depository institution that is:**

134           **(a) Owned and controlled by a depository institution; and**

135           **(b) Regulated by a federal banking agency;**

136           **(2) A provider that is a lender regulated under the federal Farm Credit Act, 12**  
137 **U.S.C. Section 2001 et seq.;**

138           **(3) A commercial financing transaction that is:**

139           **(a) Secured by real property;**

140           **(b) A lease; or**

141           **(c) A purchase money obligation that is incurred as all or part of the price of the**  
142 **collateral or for value given to enable the business to acquire rights in or the use of the**  
143 **collateral if the value is in fact so used;**

144           **(4) A commercial financing transaction in which the recipient is a motor vehicle**  
145 **dealer or an affiliate of such a dealer, or a vehicle rental company, or an affiliate of such**  
146 **a company, pursuant to a commercial loan or commercial open-end credit plan of at**  
147 **least fifty thousand dollars or a commercial financing transaction offered by a person in**  
148 **connection with the sale or lease of products or services that such person manufactures,**  
149 **licenses, or distributes, or whose parent company or any of its directly or indirectly**  
150 **owned and controlled subsidiaries manufactures, licenses, or distributes;**

151           **(5) A commercial financing transaction that is a factoring transaction, purchase,**  
152 **sale, advance, or similar of accounts receivable owed to a health care provider because**  
153 **of a patient's personal injury treated by the health care provider;**

154           **(6) A provider that is licensed as a money transmitter in accordance with a**  
155 **license, certificate, or charter issued by this state or any other state, district, territory, or**  
156 **commonwealth of the United States;**

157           **(7) A provider that consummates no more than five commercial financing**  
158 **transactions in this state in a twelve-month period; or**

159           **(8) A commercial financing transaction of more than five hundred thousand**  
160 **dollars.**

161           **5. (1) No person shall engage in business as a broker within this state for**  
162 **compensation, unless prior to conducting such business, the person has filed a**  
163 **registration with the division of finance within the department of commerce and**  
164 **insurance and has on file a good and sufficient bond as specified in this subsection. The**  
165 **registration shall be effective upon receipt by the division of finance of a completed**  
166 **registration form and the required registration fee, and shall remain effective until the**  
167 **time of renewal.**

168           **(2) After filing an initial registration form, a broker shall file, on or before**  
169 **January thirty-first of each year, a renewal registration form along with the required**  
170 **renewal registration fee.**

171           **(3) The broker shall pay a one-hundred-dollar registration fee upon the filing of**  
172 **an initial registration and a fifty-dollar renewal registration fee upon the filing of a**  
173 **renewal registration.**

174           **(4) The registration form required by this subsection shall include the following:**

175           **(a) The name of the broker;**

176           **(b) The name in which the broker is transacted if different from that stated in**  
177 **paragraph (a) of this subdivision;**

178           **(c) The address of the broker's principal office, which may be outside this state;**

179           **(d) Whether any officer, director, manager, operator, or principal of the broker**  
180 **has been convicted of a felony involving an act of fraud, dishonesty, breach of trust, or**  
181 **money laundering; and**

182           **(e) The name and address in this state of a designated agent upon whom service**  
183 **of process may be made.**

184           **(5) If information in a registration form changes or otherwise becomes**  
185 **inaccurate after filing, the broker shall not be required to file a further registration**  
186 **form prior to the time of renewal.**

187           **(6) Every broker shall obtain a surety bond issued by a surety company**  
188 **authorized to do business in this state. The amount of the bond shall be ten thousand**  
189 **dollars. The bond shall be in favor of the state of Missouri. Any person damaged by the**  
190 **broker's breach of contract or of any obligation arising therefrom, or by any violation of**  
191 **this section, may bring an action against the bond to recover damages suffered. The**  
192 **aggregate liability of the surety shall be only for actual damages and in no event shall**  
193 **exceed the amount of the bond.**

194           **(7) Employees regularly employed by a broker who has complied with this**  
195 **subsection shall not be required to file a registration or obtain a surety bond when**  
196 **acting within the scope of their employment for the broker.**

197           **6. (1) Any person who violates any provision of this section shall be punished by**  
198 **a fine of five hundred dollars per incident, not to exceed twenty thousand dollars for all**  
199 **aggregated violations arising from the use of the transaction documentation or materials**  
200 **found to be in violation of this section. Any person who violates any provision of this**  
201 **section after receiving written notice of a prior violation from the attorney general shall**  
202 **be punished by a fine of one thousand dollars per incident, not to exceed fifty thousand**  
203 **dollars for all aggregated violations arising from the use of the transaction**  
204 **documentation or materials found to be in violation of this section.**

205           **(2) Violation of any provision of this section shall not affect the enforceability or**  
206 **validity of the underlying agreement.**



207           **(3) This section shall not create a private right of action against any person or**  
208 **other entity based upon compliance or noncompliance with its provisions.**

209           **(4) Authority to enforce compliance with this section is vested exclusively in the**  
210 **attorney general of this state.**

211           **7. The requirements of subsections 3 and 5 of this section shall take effect upon**  
212 **either:**

213           **(1) Six months after the division of finance finalizes promulgating rules, if the**  
214 **division intends to promulgate rules; or**

215           **(2) February 28, 2025, if the division does not intend to promulgate rules.**

216           **8. The division of finance may promulgate rules implementing this section. If**  
217 **the division of finance intends to promulgate rules, it shall declare its intent to do so no**  
218 **later than February 28, 2025. Any rule or portion of a rule, as that term is defined in**  
219 **section 536.010, that is created under the authority delegated in this section shall**  
220 **become effective only if it complies with and is subject to all of the provisions of chapter**  
221 **536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable**  
222 **and if any of the powers vested with the general assembly pursuant to chapter 536 to**  
223 **review, to delay the effective date, or to disapprove and annul a rule are subsequently**  
224 **held unconstitutional, then the grant of rulemaking authority and any rule proposed or**  
225 **adopted after August 28, 2024, shall be invalid and void.**

          442.210. 1. The certificate of acknowledgment shall state the act of  
2 acknowledgment, and that the person making the same was personally known to at least  
3 one judge of the court, or to the officer granting the certificate, to be the person whose name is  
4 subscribed to the instrument as a party thereto, or was proved to be such by at least two  
5 witnesses, whose names and places of residence shall be inserted in the certificate; and the  
6 following forms of acknowledgment may be used in the case of conveyances or other written  
7 instruments affecting real estate; and any acknowledgment so taken and certificate shall be  
8 sufficient to satisfy all requirements of law relating to the execution or recording of such  
9 instruments (begin in all cases by a caption, specifying the state and place where the  
10 acknowledgment is taken):

11           (1) In case of natural persons acting in their own right

12           On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, before me personally appeared A B (or A B  
13 and C D), to me known to be the person (or persons) described in and who executed the  
14 foregoing instrument, and acknowledged that he (or they) executed the same as his (or their)  
15 free act and deed.

16           (2) In the case of natural persons acting by attorney

17 On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, before me personally appeared A B, to me  
 18 known to be the person who executed the foregoing instrument in behalf of C D, and  
 19 acknowledged that he executed the same as the free act and deed of C D.

20 (3) In the case of corporations or joint stock associations

21 On this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_, before me appeared A B, to me personally  
 22 known, who, being by me duly sworn (or affirmed) did say that he is the president (or other  
 23 officer or agent of the corporation or association), of (describing the corporation or  
 24 association), and that the seal affixed to foregoing instrument is the corporate seal of said  
 25 corporation (or association), and that said instrument was signed and sealed in behalf of said  
 26 corporation (or association) by authority of its board of directors (or trustees), and said A B  
 27 acknowledged said instrument to be the free act and deed of said corporation (or association).

28 2. In case the corporation or association has no corporate seal, omit the words "the  
 29 seal affixed to said instrument is the corporate seal of said corporation (or association), and  
 30 that", and add at the end of the affidavit clause the words "and that said corporation (or  
 31 association) has no corporate seal".

32 3. (In all cases add signature and title of the officer taking the acknowledgment.)

33 ~~[4. When a married woman unites with her husband in the execution of any such  
 34 instrument, and acknowledges the same in one of the forms above sanctioned, she shall be  
 35 described in the acknowledgment as his wife, but in all other respects her acknowledgment  
 36 shall be taken and certified as if she were sole; and no separate examination of a married  
 37 woman in respect to the execution of any release or dower, or other instrument affecting real  
 38 estate, shall be required.]~~

2 ~~[361.700. 1. Sections 361.700 to 361.727 shall be known and may be  
 cited as the "Sale of Checks Law".~~

3 ~~2. For the purposes of sections 361.700 to 361.727, the following  
 4 terms mean:-~~

5 ~~(1) "Check", any instrument for the transmission or payment of money  
 6 and shall also include any electronic means of transmitting or paying money;~~

7 ~~(2) "Director", the director of the division of finance;~~

8 ~~(3) "Licensee", any person duly licensed by the director pursuant to  
 9 sections 361.700 to 361.727;~~

10 ~~(4) "Person", any individual, partnership, association, trust or  
 11 corporation.]~~

2 ~~[361.705. 1. No person shall issue checks in this state for a  
 3 consideration without first obtaining a license from the director; provided,  
 4 however, that sections 361.700 to 361.727 shall not apply to the receipt of  
 5 money by an incorporated telegraph company at any office or agency of such  
 6 company for immediate transmission by telegraph nor to any bank, trust  
 7 company, savings and loan association, credit union, or agency of the United  
 States government.~~

8           2. ~~Any person who violates any of the provisions of sections 361.700~~  
9 ~~to 361.727 or attempts to sell or issue checks without having first obtained a~~  
10 ~~license from the director shall be deemed guilty of a class A misdemeanor.]~~

2           ~~[361.707. 1. Each application for a license pursuant to sections~~  
3 ~~361.700 to 361.727 shall be in writing and under oath to the director in such~~  
4 ~~form as he may prescribe. The application shall state the full name and~~  
5 ~~business address of:~~

6           ~~(1) The proprietor, if the applicant is an individual;~~  
7           ~~(2) Every member, if the applicant is a partnership or association;~~  
8           ~~(3) The corporation and each officer and director thereof, if the~~  
9 ~~applicant is a corporation.~~

10          2. ~~Each application for a license shall be accompanied by an~~  
11 ~~investigation fee of three hundred dollars. If the license is granted the~~  
12 ~~investigation fee shall be applied to the license fee for the first year. No~~  
~~investigation fee shall be refunded.]~~

2           ~~[361.711. Each application for a license shall be accompanied by a~~  
3 ~~corporate surety bond in the principal sum of one hundred thousand dollars.~~  
4 ~~The bond shall be in form satisfactory to the director and shall be issued by a~~  
5 ~~bonding company or insurance company authorized to do business in this~~  
6 ~~state, to secure the faithful performance of the obligations of the applicant and~~  
7 ~~the agents and subagents of the applicant with respect to the receipt,~~  
8 ~~transmission, and payment of money in connection with the sale or issuance of~~  
9 ~~checks and also to pay the costs incurred by the division to remedy any breach~~  
10 ~~of the obligations of the applicant subject to the bond or to pay examination~~  
11 ~~costs of the division owed and not paid by the applicant. Upon license~~  
12 ~~renewal, the required amount of bond shall be as follows:~~

13          ~~(1) For all licensees selling payment instruments or stored value cards,~~  
14 ~~five times the high outstanding balance from the previous year with a~~  
15 ~~minimum of one hundred thousand dollars and a maximum of one million~~  
16 ~~dollars;~~

17          ~~(2) For all licensees receiving money for transmission, five times the~~  
18 ~~greatest amount transmitted in a single day during the previous year with a~~  
19 ~~minimum of one hundred thousand dollars and a maximum of one million~~  
20 ~~dollars.—~~

21 ~~If in the opinion of the director the bond shall at any time appear to be~~  
22 ~~inadequate, insecure, exhausted, or otherwise doubtful, additional bond in~~  
23 ~~form and with surety satisfactory to the director shall be filed within fifteen~~  
24 ~~days after notice of the requirement is given to the licensee by the director. An~~  
25 ~~applicant or licensee may, in lieu of filing any bond required under this~~  
26 ~~section, provide the director with an irrevocable letter of credit, as defined in~~  
27 ~~section 400.5-103, issued by any state or federal financial institution.~~  
28 ~~Whenever in the director's judgment it is necessary or expedient, the~~  
29 ~~director may perform a special examination of any person licensed under~~  
30 ~~sections 361.700 to 361.727 with all authority under section 361.160 as though~~

31 the licensee were a bank. The cost of such examination shall be paid by the  
32 licensee.]

2 [361.715. 1. Upon the filing of the application, the filing of a certified  
3 audit, the payment of the investigation fee and the approval by the director of  
4 the necessary bond, the director shall cause, investigate, and determine  
5 whether the character, responsibility, and general fitness of the principals of  
6 the applicant or any affiliates are such as to command confidence and warrant  
7 belief that the business of the applicant will be conducted honestly and  
8 efficiently and that the applicant is in compliance with all other applicable  
9 state and federal laws. If satisfied, the director shall issue to the applicant a  
10 license pursuant to the provisions of sections 361.700 to 361.727. In  
11 processing a renewal license, the director shall require the same information  
12 and follow the same procedures described in this subsection.

13 2. Each licensee shall pay to the director before the issuance of the  
14 license, and annually thereafter on or before April fifteenth of each year, a  
15 license fee of four hundred dollars.

16 3. The director may assess a reasonable charge, not to exceed four  
hundred dollars, for any application to amend and reissue an existing license.]

2 [361.718. Every licensee shall at all times have on demand deposit in a  
3 federally insured depository institution or in the form of cash on hand or in the  
4 hands of his agents or in readily marketable securities an amount equal to all  
5 outstanding unpaid checks sold by him or his agents in Missouri, in addition to  
6 the amount of his bond. Upon demand by the director, licensees must  
7 immediately provide proof of such funds or securities. The director may make  
8 such demand as often as reasonably necessary and shall make such demand to  
each licensee, without prior notice, at least twice each license year.]

2 [361.720. Each licensee may conduct business at one or more  
3 locations within this state and by means of employees, agents, subagents or  
4 representatives as such licensee may designate. No license under sections  
5 361.700 to 361.727 shall be required of any such employee, agent, subagent or  
6 representative who sells checks in behalf of a licensee. Each such agent,  
7 subagent or representative shall upon demand transfer and deliver to the  
8 licensee the proceeds of the sale of licensee's checks less the fees, if any, due  
such agent, subagent or representative.]

2 [361.723. Each licensee shall file with the director annually on or  
3 before April fifteenth of each year a statement listing the locations of the  
4 offices of the licensee and the names and locations of the agents or subagents  
5 authorized by the licensee to engage in the sale of checks of which the licensee  
is the issuer.]

2 [361.725. The director may at any time suspend or revoke a license,  
3 for any reason he might refuse to grant a license, for failure to pay an annual  
4 fee or for a violation of any provision of sections 361.700 to 361.727. No  
license shall be denied, revoked or suspended except on ten days' notice to the

5        applicant or licensee. ~~Upon receipt of such notice the applicant or licensee~~  
6        ~~may, within five days of such receipt, make written demand for a hearing. The~~  
7        ~~director shall thereafter hear and determine the matter in accordance with the~~  
8        ~~provisions of chapter 536.]~~

2                ~~[361.727. The director shall issue regulations necessary to carry out~~  
3        ~~the intent and purposes of sections 361.700 to 361.727, pursuant to the~~  
      ~~provisions of section 361.105 and chapter 536.]~~

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