

FIRST REGULAR SESSION
[P E R F E C T E D]
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 175
90TH GENERAL ASSEMBLY

Reported from the Committee on Financial and Governmental Organization, February 16, 1999, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

Senate Committee Substitute adopted February 24, 1999.

Taken up February 24, 1999. Read 3rd time and placed upon its final passage; bill passed.

TERRY L. SPIELER, Secretary.

S0651.03P

AN ACT

To repeal section 443.851, RSMo Supp. 1998, relating to mortgage brokers, and to enact in lieu thereof one new section relating to the same subject.

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

Section A. Section 443.851, RSMo Supp. 1998, is repealed and one new section enacted in lieu thereof, to be known as section 443.851, to read as follows:

443.851. 1. At the end of the licensee's fiscal year, but in no case more than twelve months after the last audit conducted pursuant to this section and section 443.853, each residential mortgage licensee shall cause the licensee's books and accounts to be audited by a certified public accountant not connected with such licensee. The books and records of all persons licensed pursuant to sections 443.800 to 443.893 shall be maintained on an accrual basis. The audit shall be sufficiently comprehensive in scope to permit the expression of an opinion on the financial statements in the report and must be performed in accordance with generally accepted accounting principles and generally accepted auditing standards.

2. As used in this section and section 443.853, the term "expression of opinion" includes either:

- (1) An unqualified opinion;
- (2) A qualified opinion;
- (3) A disclaimer of opinion; or
- (4) An adverse opinion.

3. If a qualified or adverse opinion is expressed or if an opinion is disclaimed, the reasons therefor shall be fully explained. An opinion, qualified as to a scope limitation, shall not be acceptable.

4. The audit report shall be filed with the director within one hundredtwenty days of the audit date. The

report filed with the director shall be certified by the certified public accountant conducting the audit. The director may promulgate rules regarding late audit reports.

5. A licensee may meet the requirements of this section without filing an audit report by posting and maintaining a bond in an amount, in excess of the amount specified in section 443.849, which is prescribed by the director through rules designed to adequately protect members of the public who are transacting business with the licensee.

Unofficial

Bill

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