

FIRST REGULAR SESSION

# SENATE BILL NO. 633

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR BROWN (16).

2423S.02I

KRISTINA MARTIN, Secretary

## AN ACT

To amend chapter 361, RSMo, by adding thereto eleven new sections relating to the regulation of money transmission, with penalty provisions.

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

Section A. Chapter 361, RSMo, is amended by adding thereto eleven new sections, to be known as sections 361.800, 361.804, 361.808, 361.812, 361.816, 361.820, 361.824, 361.828, 361.832, 361.836, and 361.840, to read as follows:

**361.800. For purposes of sections 361.800 to 361.840, the following terms mean:**

(1) "Acting in concert", persons knowingly acting together with a common goal of jointly acquiring control of a licensee whether or not pursuant to an express agreement;

(2) "Authorized delegate", a person that a licensee has designated to engage in money transmission on behalf of the licensee;

(3) "Average daily money transmission liability", the amount of the licensee's outstanding money transmission obligations in this state at the end of each day in a given period of time, added together, and divided by the total number of days in the given period of time. For purposes of calculating average daily money transmission liability under sections 361.800 to 361.840 for any licensee required to do so, the given period of time shall be the quarters ending

17 March thirty-first, June thirtieth, September thirtieth, and  
18 December thirty-first;

19 (4) "Bank Secrecy Act", the federal Bank Secrecy Act,  
20 31 U.S.C. Section 5311, et seq. and its implementing  
21 regulations, as amended;

22 (5) "Closed loop stored value", stored value that is  
23 redeemable by the issuer only for goods or services provided  
24 by the issuer or its affiliate or franchisees of the issuer  
25 or its affiliate, except to the extent required by  
26 applicable law to be redeemable in cash for its cash value;

27 (6) "Control":

28 (a) Includes any of the following:

29 a. The power to vote, directly or indirectly, at least  
30 twenty-five percent of the outstanding voting shares or  
31 voting interests of a licensee or person in control of a  
32 licensee;

33 b. The power to elect or appoint a majority of key  
34 individuals or executive officers, managers, directors,  
35 trustees, or other persons exercising managerial authority  
36 of a person in control of a licensee; or

37 c. The power to exercise, directly or indirectly, a  
38 controlling influence over the management or policies of a  
39 licensee or person in control of a licensee.

40 (b) A person is presumed to exercise a controlling  
41 influence when the person holds the power to vote, directly  
42 or indirectly, at least ten percent of the outstanding  
43 voting shares or voting interests of a licensee or person in  
44 control of a licensee. A person presumed to exercise a  
45 controlling influence pursuant to this subdivision may rebut  
46 the presumption of control if the person is a passive  
47 investor.

48           (c) For purposes of determining the percentage of a  
49 person controlled by any other person, the person's interest  
50 shall be aggregated with the interest of any other immediate  
51 family member, including the person's spouse, parents,  
52 children, siblings, mothers- and fathers-in-law, sons- and  
53 daughters-in-law, brothers- and sisters-in-law, and any  
54 other person who shares such person's home;

55           (7) "Director", the director of the division of  
56 finance;

57           (8) "Division", the division of finance;

58           (9) "Eligible rating", a credit rating of any of the  
59 three highest rating categories provided by an eligible  
60 rating service, whereby each category may include rating  
61 category modifiers such as "plus" or "minus" for S&P, or the  
62 equivalent for any other eligible rating service. Long-term  
63 credit ratings are deemed eligible if the rating is equal to  
64 A- or higher by S&P, or the equivalent from any other  
65 eligible rating service. Short-term credit ratings are  
66 deemed eligible if the rating is equal to or higher than A-2  
67 or SP-2 by S&P, or the equivalent from any other eligible  
68 rating service. In the event that ratings differ among  
69 eligible rating services, the highest rating shall apply  
70 when determining whether a security bears an eligible rating;

71           (10) "Eligible rating service", any Nationally  
72 Recognized Statistical Rating Organization (NRSRO) as  
73 defined by the United States Securities and Exchange  
74 Commission, and any other organization designated by the  
75 director by rule or order;

76           (11) "Federally insured depository financial  
77 institution", a bank, credit union, savings and loan  
78 association, trust company, savings association, savings  
79 bank, industrial bank, or industrial loan company organized

80 under the laws of the United States or any state of the  
81 United States, when such bank, credit union, savings and  
82 loan association, trust company, savings association,  
83 savings bank, industrial bank, or industrial loan company  
84 has federally insured deposits;

85 (12) "In this state", at a physical location within  
86 this state for a transaction requested in person. For a  
87 transaction requested electronically or by phone, the  
88 provider of money transmission may determine if the person  
89 requesting the transaction is "in this state" by relying on  
90 other information provided by the person regarding the  
91 location of the individual's residential address or a  
92 business entity's principal place of business or other  
93 physical address location, and any records associated with  
94 the person that the provider of money transmission may have  
95 that indicate such location, including but not limited to an  
96 address associated with an account;

97 (13) "Individual", a natural person;

98 (14) "Key individual", any individual ultimately  
99 responsible for establishing or directing policies and  
100 procedures of the licensee, such as an executive officer,  
101 manager, director, or trustee;

102 (15) "Licensee", a person licensed pursuant to  
103 sections 361.800 to 361.840;

104 (16) "Material litigation", litigation, that according  
105 to United States generally accepted accounting principles,  
106 is significant to a person's financial health and would be  
107 required to be disclosed in the person's annual audited  
108 financial statements, report to shareholders, or similar  
109 records;

110 (17) "Money", a medium of exchange that is authorized  
111 or adopted by the United States or a foreign government.

112 The term includes a monetary unit of account established by  
113 an intergovernmental organization or by agreement between  
114 two or more governments;

115 (18) "Monetary value", a medium of exchange, whether  
116 or not redeemable in money;

117 (19) "Money transmission":

118 (a) Any of the following:

119 a. Selling or issuing payment instruments to a person  
120 located in this state;

121 b. Selling or issuing stored value to a person located  
122 in this state;

123 c. Receiving money for transmission from a person  
124 located in this state;

125 d. Payroll processing services;

126 (b) The term does not include the provision solely of  
127 online or telecommunications services or network access;

128 (20) "MSB accredited state", a state agency that is  
129 accredited by the Conference of State Bank Supervisors and  
130 Money Transmitter Regulators Association for money  
131 transmission licensing and supervision;

132 (21) "Multistate licensing process", any agreement  
133 entered into by and among state regulators relating to  
134 coordinated processing of applications for money  
135 transmission licenses, applications for the acquisition of  
136 control of a licensee, control determinations, or notice and  
137 information requirements for a change of key individuals;

138 (22) "NMLS", the Nationwide Multistate Licensing  
139 System and Registry developed by the Conference of State  
140 Bank Supervisors and the American Association of Residential  
141 Mortgage Regulators and owned and operated by the State  
142 Regulatory Registry, LLC, or any successor or affiliated

143 entity, for the licensing and registration of persons in  
144 financial services industries;

145 (23) "Outstanding money transmission obligations":

146 (a) Either of the following that are established and  
147 extinguished in accordance with applicable state law:

148 a. Any payment instrument or stored value issued or  
149 sold by the licensee to a person located in the United  
150 States or reported as sold by an authorized delegate of the  
151 licensee to a person that is located in the United States  
152 that has not yet been paid or refunded by or for the  
153 licensee, or escheated in accordance with applicable  
154 abandoned property laws; or

155 b. Any money received for transmission by the licensee  
156 or an authorized delegate in the United States from a person  
157 located in the United States that has not been received by  
158 the payee or refunded to the sender, or escheated in  
159 accordance with applicable abandoned property laws.

160 (b) For purposes of this subdivision, "in the United  
161 States" includes, to the extent applicable, a person in any  
162 state, territory, or possession of the United States; the  
163 District of Columbia; the Commonwealth of Puerto Rico; or a  
164 U.S. military installation that is located in a foreign  
165 country;

166 (24) "Passive investor", a person that:

167 (a) Does not have the power to elect a majority of key  
168 individuals or executive officers, managers, directors,  
169 trustees, or other persons exercising managerial authority  
170 of a person in control of a licensee;

171 (b) Is not employed by and does not have any  
172 managerial duties of the licensee or person in control of a  
173 licensee;

174 (c) Does not have the power to exercise, directly or  
175 indirectly, a controlling influence over the management or  
176 policies of a licensee or person in control of a licensee;  
177 and

178 (d) Either:

179 a. Attests to paragraphs (a), (b), and (c) of this  
180 subdivision in a form and in a medium prescribed by the  
181 director; or

182 b. Commits to the passivity characteristics of  
183 paragraphs (a), (b), and (c) of this subdivision in a  
184 written document;

185 (25) "Payment instrument", a written or electronic  
186 check, draft, money order, traveler's check, or other  
187 written or electronic instrument for the transmission or  
188 payment of money or monetary value, whether or not  
189 negotiable. The term does not include stored value or any  
190 instrument that is:

191 (a) Redeemable by the issuer only for goods or  
192 services provided by the issuer or its affiliate or  
193 franchisees of the issuer or its affiliate, except to the  
194 extent required by applicable law to be redeemable in cash  
195 for its cash value; or

196 (b) Not sold to the public but issued and distributed  
197 as part of a loyalty, rewards, or promotional program;

198 (26) "Payroll processing services", receiving money  
199 for transmission pursuant to a contract with a person to  
200 deliver wages or salaries, make payment of payroll taxes to  
201 state and federal agencies, make payments relating to  
202 employee benefit plans, or make distributions of other  
203 authorized deductions from wages or salaries. The term  
204 payroll processing services does not include an employer  
205 performing payroll processing services on its own behalf or

206 on behalf of its affiliate, or a professional employment  
207 organization subject to regulation pursuant to sections  
208 285.700 to 285.750;

209 (27) "Person", any individual, general partnership,  
210 limited partnership, limited liability company, corporation,  
211 trust, association, joint stock corporation, or other  
212 corporate entity identified by the division of finance;

213 (28) "Receiving money for transmission" or "money  
214 received for transmission", receiving money or monetary  
215 value in the United States for transmission within or  
216 outside the United States by electronic or other means;

217 (29) "Stored value", monetary value representing a  
218 claim against the issuer evidenced by an electronic or  
219 digital record, and that is intended and accepted for use as  
220 a means of redemption for money or monetary value, or  
221 payment for goods or services. The term includes, but is  
222 not limited to, "prepaid access" as defined by 31 Code of  
223 Federal Regulations, Section 1010.100, as amended.

224 Notwithstanding the foregoing, the term "stored value" does  
225 not include a payment instrument or closed loop stored  
226 value, or stored value not sold to the public but issued and  
227 distributed as part of a loyalty, rewards, or promotional  
228 program;

229 (30) "Tangible net worth", the aggregate assets of a  
230 licensee excluding all intangible assets, less liabilities,  
231 as determined in accordance with United States generally  
232 accepted accounting principles.

361.804. 1. Sections 361.800 to 361.840 shall not  
2 apply to:

3 (1) An operator of a payment system to the extent that  
4 it provides processing, clearing, or settlement services  
5 between or among persons exempted by this section or



6 licensees in connection with wire transfers, credit card  
7 transactions, debit card transactions, stored value  
8 transactions, automated clearing house transfers, or similar  
9 funds transfers;

10 (2) A person appointed as an agent of a payee to  
11 collect and process a payment from a payor to the payee for  
12 goods or services, other than money transmission itself,  
13 provided to the payor by the payee, provided that:

14 (a) There exists a written agreement between the payee  
15 and the agent directing the agent to collect and process  
16 payments from payors on the payee's behalf;

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

20 (c) Payment for the goods and services is treated as  
21 received by the payee upon receipt by the agent so that the  
22 payor's obligation is extinguished and there is no risk of  
23 loss to the payor if the agent fails to remit the funds to  
24 the payee;

25 (3) A person that acts as an intermediary by  
26 processing payments between an entity that has directly  
27 incurred an outstanding money transmission obligation to a  
28 sender, and the sender's designated recipient, provided that  
29 the entity:

30 (a) Is properly licensed or exempt from licensing  
31 requirements pursuant to sections 361.800 to 361.840;

32 (b) Provides a receipt, electronic record, or other  
33 written confirmation to the sender identifying the entity as  
34 the provider of money transmission in the transaction; and

35 (c) Bears sole responsibility to satisfy the  
36 outstanding money transmission obligation to the sender,  
37 including the obligation to make the sender whole in

38 connection with any failure to transmit the funds to the  
39 sender's designated recipient;

40 (4) The United States or a department, agency, or  
41 instrumentality thereof, or its agent;

42 (5) Money transmission by the United States Postal  
43 Service or by an agent of the United States Postal Service;

44 (6) Any state, county, city, or any other governmental  
45 agency or political subdivision or instrumentality of a  
46 state, or its agent;

47 (7) A federally insured depository financial  
48 institution, bank holding company, office of an  
49 international banking corporation, foreign bank that  
50 establishes a federal branch pursuant to the federal  
51 International Bank Act, 12 U.S.C. Section 3102, as amended,  
52 corporation organized pursuant to the federal Bank Service  
53 Corporation Act, 12 U.S.C. Sections 1861-1867, as amended,  
54 or corporation organized pursuant to the federal Edge Act,  
55 12 U.S.C. Sections 611-633, as amended, pursuant to the laws  
56 of a state or the United States;

57 (8) Electronic funds transfer of governmental benefits  
58 for a federal, state, county, or governmental agency by a  
59 contractor on behalf of the United States or a department,  
60 agency, or instrumentality thereof, or on behalf of a state  
61 or political subdivision, agency, or instrumentality thereof;

62 (9) A board of trade designated as a contract market  
63 pursuant to the federal Commodity Exchange Act, 7 U.S.C.  
64 Sections 1-25, as amended, or a person that, in the ordinary  
65 course of business, provides clearance and settlement  
66 services for a board of trade to the extent of its operation  
67 as or for such a board;

68           (10) A registered futures commission merchant pursuant  
69 to the federal Commodity Exchange Act to the extent of its  
70 operation as such a merchant;

71           (11) A person registered as a securities broker-dealer  
72 pursuant to federal law or chapter 409 to the extent of its  
73 operation as such a broker-dealer;

74           (12) An individual employed by a licensee, authorized  
75 delegate, or any person exempted from the licensing  
76 requirements of sections 361.800 to 361.840 when acting  
77 within the scope of employment and under the supervision of  
78 the licensee, authorized delegate, or exempted person as an  
79 employee and not as an independent contractor;

80           (13) A person expressly appointed as a third party  
81 service provider to, or agent of, an entity exempt pursuant  
82 to subdivision (7) of this subsection, solely to the extent  
83 that:

84           (a) Such service provider or agent is engaging in  
85 money transmission on behalf of and pursuant to a written  
86 agreement with the exempt entity that sets forth the  
87 specific functions that the service provider or agent is to  
88 perform; and

89           (b) The exempt entity assumes all risk of loss and all  
90 legal responsibility for satisfying the outstanding money  
91 transmission obligations owed to purchasers and holders of  
92 the outstanding money transmission obligations upon receipt  
93 of the purchaser's or holder's money or monetary value by  
94 the service provider or agent;

95           (14) A person exempt by regulation or order if the  
96 director finds such exemption to be in the public interest  
97 and that the regulation of such person is not necessary for  
98 the purposes of sections 361.800 to 361.840.

99           2. The director or his or her designee may require  
100 that any person claiming to be exempt from licensing  
101 pursuant to this section provide information and  
102 documentation demonstrating that it qualifies for any  
103 claimed exemption.

361.808. 1. In order to carry out the purposes of  
2 sections 361.800 to 361.840, the director may, subject to  
3 subdivisions (1) and (2) of subsection 3 of this section:

4           (1) Enter into agreements or memoranda of  
5 understanding with other government officials or federal and  
6 state regulatory agencies and regulatory associations in  
7 order to improve efficiencies and reduce regulatory burden  
8 by standardizing methods or procedures, and sharing  
9 resources, records or related information obtained pursuant  
10 to sections 361.800 to 361.840;

11           (2) Use, hire, contract, or employ analytical systems,  
12 methods, or software to examine or investigate any person  
13 subject to sections 361.800 to 361.840;

14           (3) Accept from other state or federal government  
15 agencies or officials any licensing, examination, or  
16 investigation reports made by such other state or federal  
17 government agencies or officials; and

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

22           2. The director shall administer, interpret and  
23 enforce sections 361.800 to 361.840, and promulgate rules or  
24 regulations implementing such sections and to recover the  
25 cost of administering and enforcing such sections by  
26 imposing and collecting proportionate and equitable fees and  
27 costs associated with applications, examinations,

28 investigations, and other actions required for  
29 implementation. Any rule or portion of a rule, as that term  
30 is defined in section 536.010, that is created under the  
31 authority delegated in this section shall become effective  
32 only if it complies with and is subject to all of the  
33 provisions of chapter 536 and, if applicable, section  
34 536.028. This section and chapter 536 are nonseverable and  
35 if any of the powers vested with the general assembly  
36 pursuant to chapter 536 to review, to delay the effective  
37 date, or to disapprove and annul a rule are subsequently  
38 held unconstitutional, then the grant of rulemaking  
39 authority and any rule proposed or adopted after August 28,  
40 2023, shall be invalid and void.

41         3. (1) Except as otherwise provided in subdivision  
42 (2) of this subsection, all information or reports obtained  
43 by the director from an applicant, licensee, or authorized  
44 delegate, and all information contained in or related to an  
45 examination, investigation, operating report, or condition  
46 report prepared by, on behalf of, or for the use of the  
47 director, or financial statements, balance sheets, or  
48 authorized delegate information, are confidential and shall  
49 be considered a closed record pursuant to chapter 610.

50         (2) The director may disclose information not  
51 otherwise subject to disclosure pursuant to subdivision (1)  
52 of this subsection to representatives of state or federal  
53 agencies who promise in a record that they will maintain the  
54 confidentiality of the information.

55         (3) This subsection shall not prohibit the director  
56 from disclosing to the public a list of all licensees or the  
57 aggregated financial or transactional data concerning those  
58 licensees.

59           (4) Information contained in the records of the  
60 division that is not confidential and may be made available  
61 to the public either on the division's website, upon receipt  
62 by the division of a written request, or in NMLS shall  
63 include:

64           (a) The name, business address, telephone number, and  
65 unique identifier of a licensee;

66           (b) The business address of a licensee's registered  
67 agent for service;

68           (c) The name, business address, and telephone number  
69 of all authorized delegates;

70           (d) The terms of or a copy of any bond filed by a  
71 licensee, provided that confidential information, including,  
72 but not limited to, prices and fees for such bond is  
73 redacted;

74           (e) Copies of any nonconfidential final orders of the  
75 director relating to any violation of sections 361.800 to  
76 361.840 or regulations implementing sections 361.800 to  
77 361.840.

78           (5) Any imposition of an administrative fine or  
79 penalty pursuant to sections 361.800 to 361.840.

80           4. (1) The division may conduct an examination or  
81 investigation of a licensee or authorized delegate or  
82 otherwise take independent action authorized by sections  
83 361.800 to 361.840 or by a rule adopted or order issued  
84 pursuant to sections 361.800 to 361.840 as reasonably  
85 necessary or appropriate to administer and enforce such  
86 sections and accompanying regulations, and other applicable  
87 law, including the federal Bank Secrecy Act and the federal  
88 USA PATRIOT ACT. The director may:

89           (a) Conduct an examination either on-site or off-site  
90 as the director may reasonably require;

91           (b) Conduct an examination in conjunction with an  
92 examination conducted by representatives of other state  
93 agencies or agencies of another state or of the federal  
94 government;

95           (c) Accept the examination report of another state  
96 agency or an agency of another state or of the federal  
97 government, or a report prepared by an independent  
98 accounting firm, which on being accepted is considered for  
99 all purposes as an official report of the director; and

100           (d) Summon and examine under oath a key individual or  
101 employee of a licensee or authorized delegate and require  
102 the person to produce records regarding any matter related  
103 to the condition and business of the licensee or authorized  
104 delegate.

105           (2) A licensee or authorized delegate shall provide,  
106 and the director shall have full and complete access to, all  
107 records the director may reasonably require to conduct a  
108 complete examination. The records shall be provided at the  
109 location and in the format specified by the director,  
110 provided, the director may utilize multistate record  
111 production standards and examination procedures when such  
112 standards will reasonably achieve the requirements of this  
113 subdivision.

114           (3) Unless otherwise directed by the director, a  
115 licensee shall pay all costs reasonably incurred in  
116 connection with an examination of the licensee or the  
117 licensee's authorized delegates.

118           5. (1) The director may participate in multistate  
119 supervisory processes established between states and  
120 coordinated through the Conference of State Bank  
121 Supervisors, Money Transmitter Regulators Association, and  
122 affiliates and successors thereof for all licensees that

123 hold licenses in this state and other states. As a  
124 participant in multistate supervision, the director shall:

125 (a) Cooperate, coordinate, and share information with  
126 other state and federal regulators subject to subsection 3  
127 of this section;

128 (b) Enter into written cooperation, coordination, or  
129 information-sharing contracts or agreements with  
130 organizations the membership of which is made up of state or  
131 federal governmental agencies; and

132 (c) Cooperate, coordinate, and share information with  
133 organizations the membership of which is made up of state or  
134 federal governmental agencies, provided that the  
135 organizations agree in writing to maintain the  
136 confidentiality and security of the shared information in  
137 accordance with subsection 3 of this section.

138 (2) The director may not waive, and nothing in this  
139 subsection constitutes a waiver of, the director's authority  
140 to conduct an examination or investigation or otherwise take  
141 independent action authorized by sections 361.800 to 361.840  
142 or a rule adopted or order issued pursuant to such sections  
143 to enforce compliance with applicable state or federal law.

144 (3) A joint examination or investigation, or  
145 acceptance of an examination or investigation report, does  
146 not waive an examination assessment provided for in sections  
147 361.800 to 361.840.

148 6. (1) In the event state money transmission  
149 jurisdiction is conditioned on a federal law, any  
150 inconsistencies between a provision of sections 361.800 to  
151 361.840 and the federal law governing money transmission  
152 shall be governed by the applicable federal law to the  
153 extent of the inconsistency.



154           (2) In the event of any inconsistencies between  
155 sections 361.800 to 361.840 and a federal law that governs  
156 pursuant to subdivision (1) of this subsection, the director  
157 may provide interpretive guidance that:

158           (a) Identifies the inconsistency; and

159           (b) Identifies the appropriate means of compliance  
160 with federal law.

          361.812. 1. (1) Except as provided in subdivision  
2 (2) of this subsection, a person may not engage in the  
3 business of money transmission or advertise, solicit, or  
4 hold itself out as providing money transmission unless the  
5 person is licensed pursuant to sections 361.800 to 361.840.

6           (2) The following shall not be required to be licensed  
7 pursuant to subdivision (1) of this subsection:

8           (a) A person that is an authorized delegate of a  
9 person licensed pursuant to sections 361.800 to 361.840  
10 acting within the scope of authority conferred by a written  
11 contract with the licensee; or

12           (b) A person that is exempt pursuant to section  
13 361.804 and does not engage in money transmission outside  
14 the scope of such exemption.

15           (3) A license issued pursuant to this section is not  
16 transferable or assignable.

17           2. The director may:

18           (1) Implement all licensing provisions of sections  
19 361.800 to 361.840 in a manner that is consistent with other  
20 states that have adopted this licensing process or  
21 multistate licensing processes;

22           (2) Participate in nationwide protocols for licensing  
23 cooperation and coordination among state regulators provided  
24 that such protocols are consistent with sections 361.800 to  
25 361.840;

26           (3) Establish relationships or contracts with NMLS or  
27 other entities designated by NMLS to enable the director to:

28           (a) Collect and maintain records;

29           (b) Coordinate multistate licensing processes and  
30 supervision processes;

31           (c) Process fees; and

32           (d) Facilitate communication between the division and  
33 licensees or other persons subject to sections 361.800 to  
34 361.840;

35           (4) Utilize NMLS for all aspects of licensing in  
36 accordance with sections 361.800 to 361.840, including but  
37 not limited to, license applications, applications for  
38 acquisitions of control, surety bonds, reporting, criminal  
39 history background checks, credit checks, fee processing,  
40 and examinations;

41           (5) Utilize NMLS forms, processes, and functionalities  
42 in accordance with sections 361.800 to 361.840. In the  
43 event NMLS does not provide functionality, forms, or  
44 processes for a provision of sections 361.800 to 361.840,  
45 the director may implement the requirements in a manner that  
46 facilitates uniformity with respect to licensing,  
47 supervision, reporting, and regulation of licensees which  
48 are licensed in multiple jurisdictions; and

49           (6) Waive or modify, in whole or in part, by rule,  
50 regulation or order, any or all of the requirements and to  
51 establish new requirements as reasonably necessary to  
52 participate in the Nationwide Multistate Licensing System &  
53 Registry.

54           3. (1) Applicants for a license shall apply in a form  
55 and in a medium as prescribed by the division. Each such  
56 form shall contain content as set forth by rule, regulation,  
57 instruction or procedure of the division and may be changed

58 or updated by the division in accordance with applicable law  
59 in order to carry out the purposes of sections 361.800 to  
60 361.840 and maintain consistency with NMLS licensing  
61 standards and practices. The application shall state or  
62 contain, as applicable:

63 (a) The legal name and residential and business  
64 addresses of the applicant and any fictitious or trade name  
65 used by the applicant in conducting its business;

66 (b) A list of any criminal convictions of the  
67 applicant and any material litigation in which the applicant  
68 has been involved in the ten year period next preceding the  
69 submission of the application;

70 (c) A description of any money transmission previously  
71 provided by the applicant and the money transmission that  
72 the applicant seeks to provide in this state;

73 (d) A list of the applicant's proposed authorized  
74 delegates and the locations in this state where the  
75 applicant and its authorized delegates propose to engage in  
76 money transmission;

77 (e) A list of other states in which the applicant is  
78 licensed to engage in money transmission and any license  
79 revocations, suspensions, or other disciplinary action taken  
80 against the applicant in another state;

81 (f) Information concerning any bankruptcy or  
82 receivership proceedings affecting the licensee or a person  
83 in control of a licensee;

84 (g) A sample form of contract for authorized  
85 delegates, if applicable;

86 (h) A sample form of payment instrument or stored  
87 value, as applicable;

88           (i) The name and address of any federally insured  
89 depository financial institution through which the applicant  
90 plans to conduct money transmission; and

91           (j) Any other information the division reasonably  
92 requires with respect to the applicant.

93           (2) If an applicant is a corporation, limited  
94 liability company, partnership, or other legal entity, the  
95 applicant shall also provide:

96           (a) The date of the applicant's incorporation or  
97 formation and the state or country of incorporation or  
98 formation;

99           (b) If applicable, a certificate of good standing from  
100 the state or country in which the applicant is incorporated  
101 or formed;

102           (c) A brief description of the structure or  
103 organization of the applicant, including any parents or  
104 subsidiaries of the applicant, and whether any parents or  
105 subsidiaries are publicly traded;

106           (d) The legal name, any fictitious or trade name, all  
107 business and residential addresses, and the employment, as  
108 applicable, in the ten year period next preceding the  
109 submission of the application of each key individual and  
110 person in control of the applicant;

111           (e) A list of any criminal convictions and material  
112 litigation in which a person in control of the applicant  
113 that is not an individual has been involved in the ten year  
114 period preceding the submission of the application;

115           (f) A copy of audited financial statements of the  
116 applicant for the most recent fiscal year and for the two  
117 year period next preceding the submission of the application  
118 or, if determined to be acceptable to the director,

119 certified unaudited financial statements for the most recent  
120 fiscal year or other period acceptable to the director;

121 (g) A certified copy of unaudited financial statements  
122 of the applicant for the most recent fiscal quarter;

123 (h) If the applicant is a publicly traded corporation,  
124 a copy of the most recent report filed with the United  
125 States Securities and Exchange Commission pursuant to  
126 Section 13 of the federal Securities Exchange Act of 1934,  
127 15 U.S.C. Section 78m, as amended;

128 (i) If the applicant is a wholly owned subsidiary of:

129 a. A corporation publicly traded in the United States,  
130 a copy of audited financial statements for the parent  
131 corporation for the most recent fiscal year or a copy of the  
132 parent corporation's most recent report filed under Section  
133 13 of the federal United States Securities Exchange Act of  
134 1934, 15 U.S.C. Section 78m, as amended; or

135 b. A corporation publicly traded outside the United  
136 States, a copy of similar documentation filed with the  
137 regulator of the parent corporation's domicile outside the  
138 United States;

139 (j) The name and address of the applicant's registered  
140 agent in this state; and

141 (k) Any other information the director reasonably  
142 requires with respect to the applicant.

143 (3) A nonrefundable application fee of five hundred  
144 dollars and a license fee of one thousand dollars shall  
145 accompany an application for a license pursuant to this  
146 subsection. The license fee shall be refunded if the  
147 application is denied.

148 (4) The director may waive one or more requirements of  
149 subdivisions (1) or (2) of this subsection or permit an

150 applicant to submit other information in lieu of the  
151 required information.

152 4. (1) Any individual in control of a licensee or  
153 applicant, any individual that seeks to acquire control of a  
154 licensee, and each key individual shall furnish to the  
155 director through NMLS the following items:

156 (a) The individual's fingerprints for submission to  
157 the Federal Bureau of Investigation and the director for  
158 purposes of a national criminal history background check  
159 unless the person currently resides outside of the United  
160 States and has resided outside of the United States for the  
161 last ten years;

162 (b) Personal history and experience in a form and in a  
163 medium prescribed by the director, to obtain the following:

164 a. An independent credit report from a consumer  
165 reporting agency unless the individual does not have a  
166 Social Security number, in which case, this requirement  
167 shall be waived;

168 b. Information related to any criminal convictions or  
169 pending charges; and

170 c. Information related to any regulatory or  
171 administrative action and any civil litigation involving  
172 claims of fraud, misrepresentation, conversion,  
173 mismanagement of funds, breach of fiduciary duty, or breach  
174 of contract.

175 (2) If the individual has resided outside of the  
176 United States at any time in the last ten years, the  
177 individual shall also provide an investigative background  
178 report prepared by an independent search firm that meets the  
179 following requirements:

180 (a) At a minimum, the search firm shall:

181           a. Demonstrate that it has sufficient knowledge,  
182 resources, and employs accepted and reasonable methodologies  
183 to conduct the research of the background report; and

184           b. Not be affiliated with or have an interest in or  
185 with the individual it is researching;

186           (b) At a minimum, the investigative background report  
187 shall be written in the English language and shall contain  
188 the following:

189           a. If available in the individual's current  
190 jurisdiction of residency, a comprehensive credit report, or  
191 any equivalent information obtained or generated by the  
192 independent search firm to accomplish such report, including  
193 a search of the court data in the countries, provinces,  
194 states, cities, towns, and contiguous areas where the  
195 individual resided and worked;

196           b. Criminal records information for the past ten  
197 years, including, but not limited to, felonies,  
198 misdemeanors, or similar convictions for violations of law  
199 in the countries, provinces, states, cities, towns, and  
200 contiguous areas where the individual resided and worked;

201           c. Employment history;

202           d. Media history, including an electronic search of  
203 national and local publications, wire services, and business  
204 applications; and

205           e. Financial services-related regulatory history,  
206 including but not limited to, money transmission,  
207 securities, banking, insurance, and mortgage-related  
208 industries.

209           5. (1) When an application for an original license  
210 pursuant to sections 361.800 to 361.840 appears to include  
211 all the items and addresses all of the matters that are  
212 required, the application is complete and the director shall

213 promptly notify the applicant in a record of the date on  
214 which the application is determined to be complete, and:

215 (a) The director shall approve or deny the application  
216 within one hundred twenty days after the completion date; or

217 (b) If the application is not approved or denied  
218 within one hundred twenty days after the completion date and  
219 the director has not extended the application period upon  
220 good cause, then:

221 a. The application is approved; and

222 b. The license takes effect as of the first business  
223 day after expiration of the one hundred twenty day period.

224 (2) A determination by the director that an  
225 application is complete and is accepted for processing means  
226 only that the application, on its face, appears to include  
227 all of the items, including the criminal background check  
228 response from the Federal Bureau of Investigation, and  
229 address all of the matters that are required, and is not an  
230 assessment of the substance of the application or of the  
231 sufficiency of the information provided.

232 (3) When an application is filed and considered  
233 complete pursuant to this subsection, the director shall  
234 investigate the applicant's financial condition and  
235 responsibility, financial and business experience,  
236 character, and general fitness. The director may conduct an  
237 on-site investigation of the applicant, the reasonable cost  
238 of which the applicant shall pay. The director shall issue  
239 a license to an applicant if the director finds that all of  
240 the following conditions have been fulfilled:

241 (a) The applicant has complied with subsections 3 and  
242 4 of this section; and

243 (b) The financial condition and responsibility,  
244 financial and business experience, competence, character,



245 and general fitness of the applicant, and the competence,  
246 experience, character, and general fitness of the key  
247 individuals and persons in control of the applicant indicate  
248 that it is in the interest of the public to permit the  
249 applicant to engage in money transmission.

250 (4) If an applicant avails itself or is otherwise  
251 subject to a multistate licensing process:

252 (a) The director may accept the investigation results  
253 of a lead investigative state for the purpose of subdivision  
254 (3) of this subsection if the lead investigative state has  
255 sufficient staffing, expertise, and minimum standards; or

256 (b) If the state of Missouri is a lead investigative  
257 state, the director may investigate the applicant pursuant  
258 to subdivision (3) of this subsection and the timeframes  
259 established by agreement through the multistate licensing  
260 process, provided however, that in no case shall such  
261 timeframe be noncompliant with the application period in  
262 subdivision (1) of this subsection.

263 (5) The director shall issue a formal written notice  
264 of the denial of a license application within thirty days of  
265 the decision to deny the application. The director shall  
266 set forth in the notice of denial the specific reasons for  
267 the denial of the application. An applicant whose  
268 application is denied by the director may appeal within  
269 thirty days after receipt of the written notice of the  
270 denial.

271 (6) The initial license term shall begin on the day  
272 the application is approved. The license shall expire on  
273 December thirty-first of the year in which the license term  
274 began, unless the initial license date is between November  
275 first and December thirty-first, in which instance the

276 initial license term shall run through December thirty-first  
277 of the following year.

278         6. (1) A license pursuant to sections 361.800 to  
279 361.840 shall be renewed annually. An annual renewal fee of  
280 one hundred dollars shall be paid no more than sixty days  
281 before the license expiration. The renewal term shall be  
282 for a period of one year and shall begin on January first of  
283 each year after the initial license term and shall expire on  
284 December thirty-first of the year the renewal term begins.

285         (2) A licensee shall submit a renewal report with the  
286 renewal fee, in a form prescribed by the director. The  
287 renewal report shall state or contain a description of each  
288 material change in information submitted by the licensee in  
289 its original license application which has not been reported  
290 to the division.

291         (3) The director may, with good cause, grant an  
292 extension of the renewal date.

293         (4) The division may utilize NMLS to process license  
294 renewals provided that such functionality is consistent with  
295 this section.

296         7. (1) If a licensee does not continue to meet the  
297 qualifications or satisfy the requirements that apply to an  
298 applicant for a new money transmission license, the director  
299 may suspend or revoke the licensee's license pursuant to  
300 sections 361.800 to 361.840.

301         (2) An applicant for a money transmission license  
302 shall demonstrate that it meets or will meet, and a money  
303 transmission licensee shall at all times meet, the  
304 requirements in subsections 1, 2, and 3 of section 361.832.

361.816. 1. (1) Any person, or group of persons  
2 acting in concert, seeking to acquire control of a licensee  
3 shall obtain the written approval of the director prior to

4 acquiring control. An individual is not deemed to acquire  
5 control of a licensee and is not subject to these  
6 acquisition of control provisions when that individual  
7 becomes a key individual in the ordinary course of business.

8 (2) A person, or group of persons acting in concert,  
9 seeking to acquire control of a licensee shall, in  
10 cooperation with the licensee:

11 (a) Submit an application in a form and in a medium  
12 prescribed by the director; and

13 (b) Submit a nonrefundable fee of fifty dollars with  
14 the request for approval.

15 (3) Upon request, the director may permit a licensee  
16 or the person, or group of persons acting in concert, to  
17 submit some or all information required by the director  
18 without using NMLS.

19 (4) The application required by this subsection shall  
20 include information required by subsection 4 of section  
21 361.808 for any new key individuals that have not previously  
22 completed the requirements for a licensee.

23 (5) When an application for acquisition of control  
24 under this subsection appears to include all the items and  
25 address all of the matters that are required, the  
26 application shall be considered complete and the director  
27 shall promptly notify the applicant in a record of the date  
28 on which the application was determined to be complete and:

29 (a) The director shall approve or deny the application  
30 within sixty days after the completion date; or

31 (b) If the application is not approved or denied  
32 within sixty days after the completion date, the application  
33 is deemed approved and the person, or group of persons  
34 acting in concert, are not prohibited from acquiring control.

35           (6) The director may, for good cause, extend the  
36 application period.

37           (7) A determination by the director that an  
38 application is complete and is accepted for processing means  
39 only that the application, on its face, appears to include  
40 all of the items and address all of the matters that are  
41 required, and is not an assessment of the substance of the  
42 application or of the sufficiency of the information  
43 provided.

44           (8) When an application is filed and considered  
45 complete under this subsection, the director shall  
46 investigate the financial condition and responsibility,  
47 financial and business experience, character, and general  
48 fitness of the person, or group of persons acting in  
49 concert, seeking to acquire control. The director shall  
50 approve an acquisition of control pursuant to this  
51 subsection if the director finds that all of the following  
52 conditions have been fulfilled:

53           (a) The requirements of subdivisions (2) and (4) have  
54 been met, as applicable; and

55           (b) The financial condition and responsibility,  
56 financial and business experience, competence, character,  
57 and general fitness of the person, or group of persons  
58 acting in concert, seeking to acquire control; and the  
59 competence, experience, character, and general fitness of  
60 the key individuals and persons that would be in control of  
61 the licensee after the acquisition of control indicate that  
62 it is in the interest of the public to permit the person, or  
63 group of persons acting in concert, to control the licensee.

64           (9) If an applicant avails itself or is otherwise  
65 subject to a multistate licensing process:

66 (a) The director may accept the investigation results  
67 of a lead investigative state for the purpose of subdivision  
68 (8) of this subsection if the lead investigative state has  
69 sufficient staffing, expertise, and minimum standards; or

70 (b) If Missouri is a lead investigative state, the  
71 director may investigate the applicant pursuant to  
72 subdivision (8) of this subsection and the timeframes  
73 established by agreement through the multistate licensing  
74 process.

75 (10) The director shall issue a formal written notice  
76 of the denial of an application to acquire control within  
77 thirty days of the decision to deny the application. The  
78 director shall set forth in the notice of denial the  
79 specific reasons for the denial of the application. An  
80 applicant whose application is denied by the director under  
81 this subdivision may appeal within thirty days after receipt  
82 of the written notice of the denial.

83 (11) The requirements of subdivisions (1) and (2) of  
84 this subsection shall not apply to any of the following:

85 (a) A person that acts as a proxy for the sole purpose  
86 of voting at a designated meeting of the shareholders or  
87 holders of voting shares or voting interests of a licensee  
88 or a person in control of a licensee;

89 (b) A person that acquires control of a licensee by  
90 devise or descent;

91 (c) A person that acquires control of a licensee as a  
92 personal representative, custodian, guardian, conservator,  
93 or trustee, or as an officer appointed by a court of  
94 competent jurisdiction or by operation of law;

95 (d) A person that is exempt pursuant to section  
96 361.808;

97 (e) A person that the director determines is not  
98 subject to subdivision (1) of this subsection based on the  
99 public interest;

100 (f) A public offering of securities of a licensee or a  
101 person in control of a licensee; or

102 (g) An internal reorganization of a person in control  
103 of the licensee where the ultimate person in control of the  
104 licensee remains the same.

105 (12) Persons described in paragraphs (b), (c), (d),  
106 (f), and (g) of subdivision (11) of this subsection, in  
107 cooperation with the licensee, shall notify the director  
108 within fifteen days after the acquisition of control.

109 (13) (a) The requirements of subdivisions (1) and (2)  
110 of this subsection shall not apply to a person that has  
111 complied with and received approval to engage in money  
112 transmission pursuant to sections 361.800 to 361.840 or was  
113 identified as a person in control in a prior application  
114 filed with and approved by the director or by an MSB  
115 accredited state pursuant to a multistate licensing process,  
116 provided that:

117 a. The person has not had a license revoked or  
118 suspended or controlled a licensee that has had a license  
119 revoked or suspended while the person was in control of the  
120 licensee in the previous five years;

121 b. If the person is a licensee, the person is well  
122 managed and has received at least a satisfactory rating for  
123 compliance at its most recent examination by an MSB  
124 accredited state if such rating was given;

125 c. The licensee to be acquired is projected to meet  
126 the requirements of subsections 1, 2, and 3 of section  
127 361.832 after the acquisition of control is completed, and  
128 if the person acquiring control is a licensee, that licensee

129 is also projected to meet the requirements of subsections 1,  
130 2, and 3 of section 361.832 after the acquisition of control  
131 is completed;

132 d. The licensee to be acquired will not implement any  
133 material changes to its business plan as a result of the  
134 acquisition of control, and if the person acquiring control  
135 is a licensee, that licensee also will not implement any  
136 material changes to its business plan as a result of the  
137 acquisition of control; and

138 e. The person provides notice of the acquisition in  
139 cooperation with the licensee and attests to subparagraphs  
140 a. through d. of this paragraph in a form and in a medium  
141 prescribed by the director.

142 (b) If the notice is not disapproved within thirty  
143 days after the date on which the notice was determined to be  
144 complete, the notice is deemed approved.

145 (14) Before filing an application for approval to  
146 acquire control of a licensee, a person may request in  
147 writing a determination from the director as to whether the  
148 person would be considered a person in control of a licensee  
149 upon consummation of a proposed transaction. If the  
150 director determines that the person would not be a person in  
151 control of a licensee, the proposed person and transaction  
152 is not subject to the requirements of subdivisions (1) and  
153 (2) of this subsection.

154 (15) If a multistate licensing process includes a  
155 determination pursuant to subdivision (13) of this  
156 subsection and an applicant avails itself or is otherwise  
157 subject to the multistate licensing process:

158 (a) The director may accept the control determination  
159 of a lead investigative state with sufficient staffing,

160 expertise, and minimum standards for the purpose of  
161 subdivision (13) of this subsection; or

162 (b) If the state is a lead investigative state, the  
163 director may investigate the applicant pursuant to  
164 subdivision (13) of this subsection and the timeframes  
165 established by agreement through the multistate licensing  
166 process.

167 2. (1) A licensee adding or replacing any key  
168 individual shall:

169 (a) Provide notice in a manner prescribed by the  
170 commissioner within fifteen days after the effective date of  
171 the key individual's appointment; and

172 (b) Provide information as required by subsection 4 of  
173 section 361.812 within forty-five days of the effective date.

174 (2) Within ninety days of the date on which the notice  
175 provided pursuant to subdivision (1) of this subsection was  
176 determined to be complete, the director may issue a notice  
177 of disapproval of a key individual if the competence,  
178 experience, character, or integrity of the individual would  
179 not be in the best interests of the public or the customers  
180 of the licensee to permit the individual to be a key  
181 individual of such licensee.

182 (3) A notice of disapproval shall contain a statement  
183 of the basis for disapproval and shall be sent to the  
184 licensee and the disapproved individual. A licensee may  
185 appeal a notice of disapproval within thirty days after  
186 receipt of such notice of disapproval.

187 (4) If the notice provided pursuant to subdivision (1)  
188 of this subsection is not disapproved within ninety days  
189 after the date on which the notice was determined to be  
190 complete, the key individual is deemed approved.



191 (5) If a multistate licensing process includes a key  
192 individual notice review and disapproval process pursuant to  
193 this subsection and the licensee avails itself or is  
194 otherwise subject to the multistate licensing process:

195 (a) The director may accept the determination of  
196 another state if the investigating state has sufficient  
197 staffing, expertise, and minimum standards for the purpose  
198 of this subsection; or

199 (b) If Missouri is a lead investigative state, the  
200 director may investigate the applicant pursuant to  
201 subdivision (2) of this subsection and the timeframes  
202 established by agreement through the multistate licensing  
203 process.

361.820. 1. (1) Each licensee shall submit a report  
2 of condition within forty-five days of the end of the  
3 calendar quarter, or within any extended time as the  
4 director may prescribe.

5 (2) The report of condition shall include:

6 (a) Financial information at the licensee level;

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

11 (c) Permissible investments report;

12 (d) Transaction destination country reporting for  
13 money received for transmission, if applicable; and

14 (e) Any other information the director reasonably  
15 requires with respect to the licensee. The director may  
16 utilize NMLS for the submission of the report required by  
17 this subsection and is authorized to change or update as  
18 necessary the requirements of this subsection to carry out

19 the purposes of sections 361.800 to 361.840 and maintain  
20 consistency with NMLS reporting.

21 (3) The information required by paragraph (d) of  
22 subdivision (2) of this subsection shall only be included in  
23 a report of condition submitted within forty-five days of  
24 the end of the fourth calendar quarter.

25 2. (1) Each licensee shall, within ninety days after  
26 the end of each fiscal year, or within any extended time as  
27 the director may prescribe, file with the director:

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

31 (b) Any other information as the director may  
32 reasonably require.

33 (2) The audited financial statements shall be prepared  
34 by an independent certified public accountant or independent  
35 public accountant who is satisfactory to the director.

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

45 3. (1) Each licensee shall submit a report of  
46 authorized delegates within forty-five days of the end of  
47 the calendar quarter. The director may utilize NMLS for the  
48 submission of the report required by this subdivision,  
49 provided that such functionality is consistent with the  
50 requirements of this subdivision.

51           (2) The authorized delegate report shall include, at a  
52 minimum, each authorized delegate's:

- 53           (a) Company legal name;
- 54           (b) Taxpayer employer identification number;
- 55           (c) Principal provider identifier;
- 56           (d) Physical address;
- 57           (e) Mailing address;
- 58           (f) Any business conducted in other states;
- 59           (g) Any fictitious or trade name;
- 60           (h) Contact person name, phone number, and email  
61 address;
- 62           (i) Start date as licensee's authorized delegate;
- 63           (j) End date acting as licensee's authorized delegate,  
64 if applicable;
- 65           (k) Court orders pursuant to subsection 3 of section  
66 361.824; and
- 67           (l) Any other information the director reasonably  
68 requires with respect to the authorized delegate.

69           4. (1) A licensee shall file a report with the  
70 director within one business day after the licensee has  
71 reason to know of the occurrence of any of the following  
72 events:

- 73           (a) The filing of a petition by or against the  
74 licensee under the federal United States Bankruptcy Code, 11  
75 U.S.C. Section 101-110, as amended, for bankruptcy or  
76 reorganization;
- 77           (b) The filing of a petition by or against the  
78 licensee for receivership, the commencement of any other  
79 judicial or administrative proceeding for its dissolution or  
80 reorganization, or the making of a general assignment for  
81 the benefit of its creditors; or

82           (c) The commencement of a proceeding to revoke or  
83 suspend its license in a state or country in which the  
84 licensee engages in business or is licensed.

85           (2) A licensee shall file a report with the director  
86 within three business day after the licensee has reason to  
87 know of the occurrence of any of the following events:

88           (a) A conviction of the licensee or of a key  
89 individual or person in control of the licensee for a  
90 felony; or

91           (b) A conviction of an authorized delegate for a  
92 felony.

93           5. A licensee and an authorized delegate shall file  
94 all reports required by federal currency reporting, record  
95 keeping, and suspicious activity reporting requirements as  
96 set forth in the federal Bank Secrecy Act. The timely  
97 filing of a complete and accurate report required under this  
98 subsection with the appropriate federal agency is deemed  
99 compliant with the requirements of this subsection.

100           6. (1) A licensee shall maintain the following  
101 records, for determining its compliance with sections  
102 361.800 to 361.840 for at least three years:

103           (a) A record of each outstanding money transmission  
104 obligation sold;

105           (b) A general ledger posted at least monthly  
106 containing all asset, liability, capital, income, and  
107 expense accounts;

108           (c) Bank statements and bank reconciliation records;

109           (d) Records of outstanding money transmission  
110 obligations;

111           (e) Records of each outstanding money transmission  
112 obligation paid within the three-year period;

113 (f) A list of the last known names and addresses of  
114 all of the licensee's authorized delegates; and

115 (g) Any other records the director reasonably requires  
116 by rule.

117 (2) The items specified in subdivision (1) of this  
118 subsection may be maintained in any form of record.

119 (3) Records specified in subdivision (1) of this  
120 subsection may be maintained outside this state if they are  
121 made accessible to the director on seven business days'  
122 notice that is sent in a record.

123 (4) All records maintained by the licensee as required  
124 by this subsection shall be open to inspection by the  
125 director pursuant to section 361.812.

361.824. 1. (1) For purposes of this subsection,  
2 "remit" means to make direct payments of money to a licensee  
3 or its representative authorized to receive money or to  
4 deposit money in a bank in an account specified by the  
5 licensee.

6 (2) Before a licensee is authorized to conduct  
7 business through an authorized delegate or allows a person  
8 to act as the licensee's authorized delegate, the licensee  
9 shall:

10 (a) Adopt, and update as necessary, written policies  
11 and procedures reasonably designed to ensure that the  
12 licensee's authorized delegates comply with applicable state  
13 and federal law;

14 (b) Enter into a written contract that complies with  
15 subdivision (4) of this subsection; and

16 (c) Conduct a reasonable risk-based background  
17 investigation sufficient for the licensee to determine  
18 whether the authorized delegate has complied and will likely  
19 comply with applicable state and federal law.

20 (3) An authorized delegate shall operate in full  
21 compliance with sections 361.800 to 361.840.

22 (4) The written contract required by subdivision (2)  
23 of this subsection shall be signed by the licensee and the  
24 authorized delegate and, at a minimum, shall:

25 (a) Appoint the person signing the contract as the  
26 licensee's authorized delegate with the authority to conduct  
27 money transmission on behalf of the licensee;

28 (b) Set forth the nature and scope of the relationship  
29 between the licensee and the authorized delegate and the  
30 respective rights and responsibilities of the parties;

31 (c) Require the authorized delegate to agree to fully  
32 comply with all applicable state and federal laws, rules,  
33 and regulations pertaining to money transmission, including  
34 sections 361.800 to 361.840 and regulations implementing  
35 such sections, relevant provisions of the federal Bank  
36 Secrecy Act and the federal USA PATRIOT ACT;

37 (d) Require the authorized delegate to remit and  
38 handle money and monetary value in accordance with the terms  
39 of the contract between the licensee and the authorized  
40 delegate;

41 (e) Impose a trust on money and monetary value net of  
42 fees received for money transmission for the benefit of the  
43 licensee;

44 (f) Require the authorized delegate to prepare and  
45 maintain records as required by sections 361.800 to 361.840  
46 and regulations implementing such sections;

47 (g) Acknowledge that the authorized delegate consents  
48 to examination or investigation by the director;

49 (h) State that the licensee is subject to regulation  
50 by the director and that, as part of that regulation, the  
51 director may suspend or revoke an authorized delegate

52 designation or require the licensee to terminate an  
53 authorized delegate designation; and

54 (i) Acknowledge receipt of the written policies and  
55 procedures required under paragraph (a) of subdivision (1)  
56 of this subsection.

57 (5) If the licensee's license is suspended, revoked,  
58 surrendered, or expired, the licensee shall, within five  
59 business days, provide documentation to the director that  
60 the licensee has notified all applicable authorized  
61 delegates of the licensee whose names are in a record filed  
62 with the director of the suspension, revocation, surrender,  
63 or expiration of a license. Upon suspension, revocation,  
64 surrender, or expiration of a license, applicable authorized  
65 delegates shall immediately cease to provide money  
66 transmission as an authorized delegate of the licensee.

67 (6) An authorized delegate of a licensee holds in  
68 trust for the benefit of the licensee all money net of fees  
69 received from money transmission. If any authorized  
70 delegate commingles any funds received from money  
71 transmission with any other funds or property owned or  
72 controlled by the authorized delegate, all commingled funds  
73 and other property shall be considered held in trust in  
74 favor of the licensee in an amount equal to the amount of  
75 money net of fees received from money transmission.

76 (7) An authorized delegate may not use a subdelegate  
77 to conduct money transmission on behalf of a licensee.

78 2. A person shall not engage in the business of money  
79 transmission on behalf of a person not licensed pursuant to  
80 or exempt from the provisions of sections 361.800 to  
81 361.840. A person that engages in such activity provides  
82 money transmission to the same extent as if the person were

83 a licensee and shall be jointly and severally liable with  
84 the unlicensed or nonexempt person.

85 3. (1) A circuit court in an action brought by a  
86 licensee shall have jurisdiction to grant appropriate  
87 equitable or legal relief, including without limitation  
88 prohibiting the authorized delegate from directly or  
89 indirectly acting as an authorized delegate for any licensee  
90 in this state and the payment of restitution, damages, or  
91 other monetary relief, if the circuit court finds that an  
92 authorized delegate failed to remit money in accordance with  
93 the written contract required by this section or as  
94 otherwise directed by the licensee or required by law.

95 (2) If the circuit court issues an order prohibiting a  
96 person from acting as an authorized delegate for any  
97 licensee pursuant to subdivision (1) of this subsection, the  
98 licensee that brought the action shall report the order to  
99 the director within thirty days and shall report the order  
100 through NMLS within ninety days.

101 (3) An authorized delegate who holds money in trust  
102 for the benefit of a licensee and knowingly fails to remit  
103 more than one thousand dollars of such money is guilty of a  
104 class E felony.

105 (4) An authorized delegate who holds money in trust  
106 for the benefit of a licensee and knowingly fails to remit  
107 no more than one hundred dollars of such money is guilty of  
108 a class A misdemeanor.

361.828. 1. (1) Every licensee shall forward all  
2 money received for transmission in accordance with the terms  
3 of the agreement between the licensee and the sender unless  
4 the licensee has a reasonable belief or a reasonable basis  
5 to believe that the sender may be a victim of fraud or that



6 a crime or violation of law, rule, or regulation has  
7 occurred, is occurring, or may occur.

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

13 2. (1) This subsection shall not apply to:

14 (a) Money received for transmission subject to the  
15 federal Remittance Rule, 12 CFR Part 1005, Subpart B, as  
16 amended; or

17 (b) Money received for transmission pursuant to a  
18 written agreement between the licensee and payee to process  
19 payments for goods or services provided by the payee.

20 (2) Every licensee shall refund to the sender within  
21 ten days of receipt of the sender's written request for a  
22 refund of any and all money received for transmission unless  
23 any of the following occurs:

24 (a) The money has been forwarded within ten days of  
25 the date on which the money was received for transmission;

26 (b) Instructions have been given committing an  
27 equivalent amount of money to the person designated by the  
28 sender within ten days of the date on which the money was  
29 received for transmission;

30 (c) The agreement between the licensee and the sender  
31 instructs the licensee to forward the money at a time that  
32 is beyond ten days of the date on which the money was  
33 received for transmission. If funds have not yet been  
34 forwarded in accordance with the terms of the agreement  
35 between the licensee and the sender, the licensee shall  
36 issue a refund in accordance with the other provisions of  
37 this subsection; or

38           (d) The refund is requested for a transaction that the  
39 licensee has not completed based on a reasonable belief or a  
40 reasonable basis to believe that a crime or violation of  
41 law, rule, or regulation has occurred, is occurring, or may  
42 occur.

43           (3) The refund request shall not enable the licensee  
44 to:

45           (a) Identify the sender's name and address or  
46 telephone number; or

47           (b) Identify the particular transaction to be refunded  
48 in the event the sender has multiple transactions  
49 outstanding.

50           3. (1) This subsection shall not apply to:

51           (a) Money received for transmission subject to the  
52 federal Remittance Rule, 12 CFR Part 1005, Subpart B, as  
53 amended;

54           (b) Money received for transmission that is not  
55 primarily for personal, family, or household purposes;

56           (c) Money received for transmission pursuant to a  
57 written agreement between the licensee and payee to process  
58 payments for goods or services provided by the payee; or

59           (d) Payroll processing services.

60           (2) For purposes of this subsection, "receipt" means a  
61 paper receipt, electronic record, or other written  
62 confirmation. For a transaction conducted in person, the  
63 receipt may be provided electronically if the sender  
64 requests or agrees to receive an electronic receipt. For a  
65 transaction conducted electronically or by phone, a receipt  
66 may be provided electronically. All electronic receipts  
67 shall be provided in a retainable form.

68           (3) Every licensee or its authorized delegate shall  
69 provide the sender a receipt for money received for  
70 transmission.

71           (a) The receipt shall contain the following  
72 information, as applicable:

- 73           a. The name of the sender;
- 74           b. The name of the designated recipient;
- 75           c. The date of the transaction;
- 76           d. The unique transaction or identification number;
- 77           e. The name of the licensee, NMLS unique ID, the  
78 licensee's business address, and the licensee's customer  
79 service telephone number;
- 80           f. The amount of the transaction in United States  
81 dollars;
- 82           g. Any fee charged by the licensee to the sender for  
83 the transaction; and
- 84           h. Any taxes collected by the licensee from the sender  
85 for the transaction.

86           (b) The receipt required by this subsection shall be  
87 in English and in the language principally used by the  
88 licensee or authorized delegate to advertise, solicit, or  
89 negotiate, either orally or in writing, for a transaction  
90 conducted in person, electronically, or by phone, if other  
91 than English.

92           4. Every licensee or authorized delegate shall include  
93 on a receipt or disclose on the licensee's website or mobile  
94 application the name and phone number of the division and a  
95 statement that the licensee's customers can contact the  
96 division with questions or complaints about the licensee's  
97 money transmission services.

98           5. (1) A licensee that provides payroll processing  
99 services shall:

100 (a) Issue reports to clients detailing client payroll  
101 obligations in advance of the payroll funds being deducted  
102 from an account; and

103 (b) Make available worker paystubs or an equivalent  
104 statement to workers.

105 (2) Subdivision (1) of this subsection shall not apply  
106 to a licensee providing payroll processing services where  
107 the licensee's client designates the intended recipients to  
108 the licensee and is responsible for providing the  
109 disclosures required by paragraph (b) of subdivision (1) of  
110 this subsection.

361.832. 1. (1) A licensee subject to sections  
2 361.800 to 361.840 shall maintain at all times a tangible  
3 net worth of the greater of one hundred thousand dollars or  
4 three percent of total assets for the first one hundred  
5 million dollars, two percent of additional assets for one  
6 hundred million dollars to one billion dollars, and one-half  
7 of one percent of additional assets for over one billion  
8 dollars.

9 (2) Tangible net worth shall be demonstrated at  
10 initial application by the applicant's most recent audited  
11 or unaudited financial statements pursuant to section  
12 361.812.

13 (3) Notwithstanding subdivisions (1) and (2) of this  
14 subsection to the contrary, the director may, for good cause  
15 shown, exempt, in-part or in whole, any applicant or  
16 licensee from the requirements of this subsection.

17 2. (1) An applicant for a money transmission license  
18 shall provide, and a licensee at all times shall maintain,  
19 security consisting of a surety bond, in a form satisfactory  
20 to the director.

21 (2) The amount of the required security shall be:

22           (a) The greater of one hundred thousand dollars or an  
23 amount equal to one hundred percent of the licensee's  
24 average daily money transmission liability in this state  
25 calculated for the most recently completed three-month  
26 period, up to a maximum of five hundred thousand dollars; or

27           (b) In the event that the licensee's tangible net  
28 worth exceeds ten percent of total assets, the licensee  
29 shall maintain a surety bond of one hundred thousand dollars.

30           (3) A licensee that maintains a bond in the maximum  
31 amount provided for in subdivision (2) of this subsection  
32 shall not be required to calculate its average daily money  
33 transmission liability in this state for purposes of this  
34 subsection.

35           (4) A licensee may exceed the maximum required bond  
36 amount pursuant to subsection 4 of this section.

37           3. (1) A licensee shall maintain at all times  
38 permissible investments that have a market value computed in  
39 accordance with United States generally accepted accounting  
40 principles of not less than the aggregate amount of all of  
41 its outstanding money transmission obligations.

42           (2) Except for permissible investments enumerated in  
43 subdivision (1) of subsection 4 of this section, the  
44 director, with respect to any licensee, may by rule limit  
45 the extent to which a specific investment maintained by a  
46 licensee within a class of permissible investments may be  
47 considered a permissible investment, if the specific  
48 investment represents undue risk to customers, not reflected  
49 in the market value of investments.

50           (3) Permissible investments, even if commingled with  
51 other assets of the licensee, are held in trust for the  
52 benefit of the purchasers and holders of the licensee's  
53 outstanding money transmission obligations in the event of

54 insolvency, the filing of a petition by or against the  
55 licensee under the federal United States Bankruptcy Code, 11  
56 U.S.C. Section 101-110, as amended, for bankruptcy or  
57 reorganization, the filing of a petition by or against the  
58 licensee for receivership, the commencement of any other  
59 judicial or administrative proceeding for its dissolution or  
60 reorganization, or in the event of an action by a creditor  
61 against the licensee who is not a beneficiary of this  
62 statutory trust. No permissible investments impressed with  
63 a trust pursuant to this subdivision shall be subject to  
64 attachment, levy of execution, or sequestration by order of  
65 any court, except for a beneficiary of this statutory trust.

66 (4) Upon the establishment of a statutory trust in  
67 accordance with subdivision (3) of this subsection or when  
68 any funds are drawn on a letter of credit pursuant to  
69 paragraph (d) of subdivision (1) of subsection 4 of this  
70 section, the director shall notify the applicable regulator  
71 of each state in which the licensee is licensed to engage in  
72 money transmission, if any, of the establishment of the  
73 trust or the funds drawn on the letter of credit, as  
74 applicable. Notice shall be deemed satisfied if performed  
75 pursuant to a multistate agreement or through NMLS. Funds  
76 drawn on a letter of credit, and any other permissible  
77 investments held in trust for the benefit of the purchasers  
78 and holders of the licensee's outstanding money transmission  
79 obligations, are deemed held in trust for the benefit of  
80 such purchasers and holders on a pro rata and equitable  
81 basis in accordance with statutes pursuant to which  
82 permissible investments are required to be held in this  
83 state, and other states, as applicable. Any statutory trust  
84 established pursuant to this subsection shall be terminated

85 upon extinguishment of all of the licensee's outstanding  
86 money transmission obligations.

87 (5) The director may by rule allow other types of  
88 investments that the director determines are of sufficient  
89 liquidity and quality to be a permissible investment. The  
90 director may participate in efforts with other state  
91 departments, divisions, or agencies to determine that other  
92 types of investments are of sufficient liquidity and quality  
93 to be a permissible investment.

94 4. (1) The following investments are permissible  
95 under subsection 3 of this section:

96 (a) Cash, including demand deposits, savings deposits,  
97 and funds in such accounts held for the benefit of the  
98 licensee's customers in a federally insured depository  
99 financial institution, and cash equivalents including ACH  
100 items in transit to the licensee and ACH items or  
101 international wires in transit to a payee, cash in transit  
102 via armored car, cash in smart safes, cash in licensee-owned  
103 locations, debit card or credit card-funded transmission  
104 receivables owed by any bank, or money market mutual funds  
105 rated AAA by S&P, or the equivalent from any eligible rating  
106 service;

107 (b) Certificates of deposit or senior debt obligations  
108 of an insured depository institution, as defined in Section  
109 3 of the Federal Deposit Insurance Act, 12 U.S.C. Section  
110 1813, as amended, or as defined under the federal Credit  
111 Union Act, 12 U.S.C. Section 1781, as amended;

112 (c) An obligation of the United States or a  
113 commission, agency, or instrumentality thereof, an  
114 obligation that is guaranteed fully as to principal and  
115 interest by the United States, or an obligation of a state

116 or a governmental subdivision, agency, or instrumentality  
117 thereof;

118 (d) The full drawable amount of an irrevocable standby  
119 letter of credit for which the stated beneficiary is the  
120 director that stipulates that the beneficiary need only draw  
121 a sight draft under the letter of credit and present it to  
122 obtain funds up to the letter of credit amount within seven  
123 days of presentation of the items required by paragraph (c)  
124 of this subdivision.

125 a. The letter of credit shall:

126 (i) Be issued by a federally insured depository  
127 financial institution, a foreign bank that is authorized  
128 under federal law to maintain a federal agency or federal  
129 branch office in a state or states, or a foreign bank that  
130 is authorized under state law to maintain a branch in a  
131 state that:

132 i. Bears an eligible rating or whose parent company  
133 bears an eligible rating; and

134 ii. Is regulated, supervised, and examined by United  
135 States federal or state authorities having regulatory  
136 authority over banks, credit unions, and trust companies;

137 (ii) Be irrevocable, unconditional, and indicate that  
138 it is not subject to any condition or qualifications outside  
139 of the letter of credit;

140 (iii) Not contain reference to any other agreements,  
141 documents, or entities, or otherwise provide for any  
142 security interest in the licensee; and

143 (iv) Contain an issue date and expiration date, and  
144 expressly provide for automatic extension, without a written  
145 amendment, for an additional period of one year from the  
146 present or each future expiration date, unless the issuer of  
147 the letter of credit notifies the commissioner in writing by



148 certified or registered mail or courier mail or other  
149 receipted means, at least sixty days prior to any expiration  
150 date, that the irrevocable letter of credit will not be  
151 extended.

152         b. In the event of any notice of expiration or non-  
153 extension of a letter of credit issued under item (iv) of  
154 subparagraph a of this paragraph, the licensee shall be  
155 required to demonstrate to the satisfaction of the director,  
156 fifteen days prior to expiration, that the licensee  
157 maintains and will maintain permissible investments in  
158 accordance with subdivision (1) of subsection 3 of this  
159 section upon the expiration of the letter of credit. If the  
160 licensee is not able to do so, the director may draw on the  
161 letter of credit in an amount up to the amount necessary to  
162 meet the licensee's requirements to maintain permissible  
163 investments in accordance with subdivision (1) of subsection  
164 3 of this section. Any such draw shall be offset against  
165 the licensee's outstanding money transmission obligations.  
166 The drawn funds shall be held in trust by the director or  
167 the director's designee, to the extent authorized by law, as  
168 agent for the benefit of the purchasers and holders of the  
169 licensee's outstanding money transmission obligations.

170         c. The letter of credit shall provide that the issuer  
171 of the letter of credit will honor, at sight, a presentation  
172 made by the beneficiary to the issuer of the following  
173 documents on or prior to the expiration date of the letter  
174 of credit:

175             (i) The original letter of credit, including any  
176 amendments; and

177             (ii) A written statement from the beneficiary stating  
178 that any of the following events have occurred:

179           i. The filing of a petition by or against the licensee  
180 under the federal United States Bankruptcy Code, 11 U.S.C.  
181 Section 101-110, as amended, for bankruptcy or  
182 reorganization;

183           ii. The filing of a petition by or against the  
184 licensee for receivership, or the commencement of any other  
185 judicial or administrative proceeding for its dissolution or  
186 reorganization;

187           iii. The seizure of assets of a licensee by the  
188 director pursuant to an emergency order issued in accordance  
189 with sections 361.800 to 361.840, on the basis of an action,  
190 violation, or condition that has caused or is likely to  
191 cause the insolvency of the licensee; or

192           iv. The beneficiary has received notice of expiration  
193 or non-extension of a letter of credit and the licensee  
194 failed to demonstrate to the satisfaction of the beneficiary  
195 that the licensee will maintain permissible investments in  
196 accordance with subdivision (1) of subsection 3 of this  
197 section upon the expiration or non-extension of the letter  
198 of credit.

199           d. The director may designate an agent to serve on the  
200 director's behalf as beneficiary to a letter of credit so  
201 long as the agent and letter of credit meet requirements  
202 established by the director. The director's agent may serve  
203 as agent for multiple licensing authorities for a single  
204 irrevocable letter of credit if the proceeds of the drawable  
205 amount for the purposes of this paragraph are assigned to  
206 the director.

207           e. The director may participate in multistate  
208 processes designed to facilitate the issuance and  
209 administration of letters of credit, including but not

210 limited to, services provided by the NMLS and State  
211 Regulatory Registry, LLC;

212 (e) One hundred percent of the surety bond or deposit  
213 provided for under subsection 2 of this section that exceeds  
214 the average daily money transmission liability in this state.

215 (2) Unless permitted by the director by rule or by  
216 order to exceed the limit as set forth herein, the following  
217 investments are permissible under subsection 3 of this  
218 section, to the extent specified:

219 (a) Receivables that are payable to a licensee from  
220 its authorized delegates in the ordinary course of business  
221 that are less than seven days old, up to fifty percent of  
222 the aggregate value of the licensee's total permissible  
223 investments;

224 (b) Of the receivables permissible under paragraph (a)  
225 of subdivision (2) of this subsection, receivables that are  
226 payable to a licensee from a single authorized delegate in  
227 the ordinary course of business may not exceed ten percent  
228 of the aggregate value of the licensee's total permissible  
229 investments;

230 (c) The following investments are permissible up to  
231 twenty percent per category and combined up to fifty percent  
232 of the aggregate value of the licensee's total permissible  
233 investments eligible rating:

234 a. A short-term investment not exceeding six months  
235 bearing an eligible rating;

236 b. Commercial paper bearing an eligible rating;

237 c. A bill, note, bond, or debenture bearing an  
238 eligible rating;

239 d. United States tri-party repurchase agreements  
240 collateralized at one hundred percent or more with United

241 States government or agency securities, municipal bonds, or  
242 other securities bearing an eligible rating;

243 e. Money market mutual funds rated less than AAA and  
244 equal to or higher than A- by S&P, or the equivalent from  
245 any other eligible rating service; and

246 f. A mutual fund or other investment fund composed  
247 solely and exclusively of one or more permissible  
248 investments listed in paragraphs (a) through (c) of  
249 subdivision (1) of subsection 4 of this section;

250 (d) Cash, including demand deposits, savings deposits,  
251 and funds in such accounts held for the benefit of the  
252 licensee's customers, at foreign depository institutions are  
253 permissible up to ten percent of the aggregate value of the  
254 licensee's total permissible investments if the licensee has  
255 received a satisfactory rating in its most recent  
256 examination and the foreign depository institution:

257 (i) Has an eligible rating;

258 (ii) Is registered under the federal Foreign Account  
259 Tax Compliance Act;

260 (iii) Is not located in any country subject to  
261 sanctions from the federal Office of Foreign Asset Control;  
262 and

263 (iv) Is not located in a high-risk or non-cooperative  
264 jurisdiction as designated by the federal Financial Action  
265 Task Force.

361.836. 1. (1) The director may suspend or revoke a  
2 license or order a licensee to revoke the designation of an  
3 authorized delegate if:

4 (a) The licensee violates a provision of sections  
5 361.800 to 361.840 or a rule adopted or an order issued  
6 pursuant to such sections;

7           (b) The licensee does not cooperate with an  
8 examination or investigation by the director;

9           (c) The licensee engages in fraud, intentional  
10 misrepresentation, or gross negligence;

11           (d) An authorized delegate is convicted of a violation  
12 of a state or federal anti-money laundering statute, or  
13 violates a rule adopted or an order issued pursuant to  
14 sections 361.800 to 361.840, as a result of the licensee's  
15 willful misconduct or willful blindness;

16           (e) The competence, experience, character, or general  
17 fitness of the licensee, authorized delegate, person in  
18 control of a licensee, key individual, or responsible person  
19 of the authorized delegate indicates that it is not in the  
20 public interest to permit the person to provide money  
21 transmission;

22           (f) The licensee engages in an unsafe or unsound  
23 practice;

24           (g) The licensee is insolvent, suspends payment of its  
25 obligations, or makes a general assignment for the benefit  
26 of its creditors; or

27           (h) The licensee does not remove an authorized  
28 delegate after the director issues and serves upon the  
29 licensee a final order including a finding that the  
30 authorized delegate has violated a provision of sections  
31 361.800 to 361.840.

32           (2) In determining whether a licensee is engaging in  
33 an unsafe or unsound practice, the director may consider the  
34 size and condition of the licensee's money transmission, the  
35 magnitude of the loss, the gravity of the violation, and the  
36 previous conduct of the person involved.

37           2.   (1)   The director may issue an order suspending or  
38   revoking the designation of an authorized delegate, if the  
39   director finds that:

40           (a)   The authorized delegate violated a provision of  
41   sections 361.800 to 361.840 or a rule adopted or an order  
42   issued pursuant to such sections;

43           (b)   The authorized delegate did not cooperate with an  
44   examination or investigation by the director;

45           (c)   The authorized delegate engaged in fraud,  
46   intentional misrepresentation, or gross negligence;

47           (d)   The authorized delegate is convicted of a  
48   violation of a state or federal anti-money laundering  
49   statute;

50           (e)   The competence, experience, character, or general  
51   fitness of the authorized delegate or a person in control of  
52   the authorized delegate indicates that it is not in the  
53   public interest to permit the authorized delegate to provide  
54   money transmission; or

55           (f)   The authorized delegate is engaging in an unsafe  
56   or unsound practice.

57           (2)   In determining whether an authorized delegate is  
58   engaging in an unsafe or unsound practice, the director may  
59   consider the size and condition of the authorized delegate's  
60   provision of money transmission, the magnitude of the loss,  
61   the gravity of the violation, and the previous conduct of  
62   the authorized delegate.

63           (3)   An authorized delegate may apply for relief from a  
64   suspension or revocation of designation as an authorized  
65   delegate according to procedures prescribed by the director.

66           3.   (1)   If the director determines that a violation of  
67   sections 361.800 to 361.840 or of a rule adopted or an order  
68   issued pursuant to such sections by a licensee or authorized

69 delegate is likely to occur, the director may issue an order  
70 requiring the licensee or authorized delegate to cease and  
71 desist from the violation. The order becomes effective upon  
72 service of it upon the licensee or authorized delegate.

73 (2) The director may issue an order against a licensee  
74 to cease and desist from providing money transmission  
75 through an authorized delegate that is the subject of a  
76 separate order by the director.

77 (3) An order to cease and desist remains effective and  
78 enforceable pending the completion of an administrative  
79 proceeding.

80 (4) A licensee or an authorized delegate that is  
81 served with an order to cease and desist may petition the  
82 circuit court, for a judicial order setting aside, limiting,  
83 or suspending the enforcement, operation, or effectiveness  
84 of the order pending the completion of an administrative  
85 proceeding.

86 (5) An order to cease and desist expires unless the  
87 director commences an administrative proceeding within ten  
88 days after it is issued.

89 4. The director may enter into a consent order at any  
90 time with a person to resolve a matter arising pursuant to  
91 sections 361.800 to 361.840 or a rule adopted or order  
92 issued pursuant to such sections. A consent order shall be  
93 signed by the person to whom it is issued or by the person's  
94 authorized representative and shall indicate agreement with  
95 the terms contained in the order. A consent order may  
96 provide that it does not constitute an admission by a person  
97 that sections 361.800 to 361.840 or a rule adopted or an  
98 order issued pursuant to such sections has been violated.

99 5. (1) A person that intentionally makes a false  
100 statement, misrepresentation, or false certification in a

101 record filed or required to be maintained pursuant to  
102 sections 361.800 to 361.840 or that intentionally makes a  
103 false entry or omits a material entry in such a record is  
104 guilty of a class E felony.

105 (2) A person that knowingly engages in an activity for  
106 which a license is required pursuant to sections 361.800 to  
107 361.840 without being licensed and who receives more than  
108 five hundred dollars in compensation within a thirty-day  
109 period from this activity is guilty of a class E felony.

110 (3) A person that knowingly engages in an activity for  
111 which a license is required pursuant to sections 361.800 to  
112 361.840 without being licensed and who receives no more than  
113 five hundred dollars in compensation within a thirty-day  
114 period from this activity is guilty of a class A misdemeanor.

115 6. The director may assess a civil penalty against a  
116 person that violates sections 361.800 to 361.840 or a rule  
117 adopted or an order issued pursuant to such sections in an  
118 amount not to exceed one thousand dollars per day for each  
119 day the violation is outstanding, plus the costs and  
120 expenses of the division for the investigation and  
121 prosecution of the matter, including reasonable attorney's  
122 fees.

123 7. (1) If the director has reason to believe that a  
124 person has violated or is violating subsection 1 of section  
125 361.812, the director may issue an order to show cause why  
126 an order to cease and desist should not issue requiring that  
127 the person cease and desist from the violation.

128 (2) In an emergency, the director may petition the  
129 circuit court for the issuance of a temporary restraining  
130 order ex parte pursuant to the rules of civil procedure.

131 (3) An order to cease and desist becomes effective  
132 upon service of it upon the person.



133           (4) An order to cease and desist remains effective and  
134 enforceable pending the completion of an administrative  
135 proceeding.

136           (5) A person that is served with an order to cease and  
137 desist for violating subsection 1 of section 361.812 may  
138 petition the circuit court for a judicial order setting  
139 aside, limiting, or suspending the enforcement, operation,  
140 or effectiveness of the order pending the completion of an  
141 administrative proceeding.

142           (6) An order to cease and desist expires unless the  
143 director commences an administrative proceeding within ten  
144 days after it is issued.

          361.840. 1. In applying and construing sections  
2 361.800 to 361.840, consideration shall be given to the need  
3 to promote uniformity of the law with respect to its subject  
4 matter among states that enact it.

5           2. (1) A person licensed in this state to engage in  
6 the business of money transmission shall not be subject to  
7 the provisions of sections 361.800 to 361.840, to the extent  
8 that they conflict with any other provision of law or  
9 establish new requirements not imposed under any other  
10 provision of law, until such time as the licensee renews its  
11 current license or for twelve months after the effective  
12 date of sections 361.800 to 361.840, whichever is later.

13           (2) Notwithstanding subdivision (1) of this subsection  
14 to the contrary, a licensee shall only be required to amend  
15 its authorized delegate contracts for contracts entered into  
16 or amended after the effective date or the completion of any  
17 transition period contemplated under subdivision (1) of this  
18 subsection. Nothing in sections 361.800 to 361.840 shall be  
19 construed as limiting an authorized delegate's obligations  
20 to operate in full compliance with such sections.

21           (3) A person providing payroll processing services in  
22 this state without a license shall not be considered in  
23 violation of subsection 1 of section 361.812 if the person  
24 applies for a license within six months of the enactment of  
25 sections 361.800 to 361.840. The director may, for good  
26 cause, extend the transition period in conjunction with the  
27 extension of an application period.

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