

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILL NO. 99

AN ACT

To amend chapters 362 and 370, RSMo, by adding thereto two new sections relating to the prevention of fraudulent activity with a financial account.

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

Section A. Chapters 362 and 370, RSMo, are amended by adding thereto two new sections, to be known as sections 362.424 and 370.245, to read as follows:

362.424. 1. For purposes of this section, a "trusted contact" is any adult person designated by a bank customer that a bank may contact in the event of an emergency or loss of contact with the customer, or in the event of suspected third-party fraud or financial exploitation targeting the customer.

2. For purposes of this section "bank" includes any state or federally chartered bank, savings bank, or savings and loan association providing banking services to Missouri customers.

3. Notwithstanding any other provision of law to the contrary, any bank may report suspected fraudulent activity or financial exploitation targeting any of its customers to a federal, state, county, or municipal law enforcement agency or any appropriate public protective agency and shall be immune from civil liability in doing so.

4. Notwithstanding any other provision of law to the contrary, any bank, on a voluntary basis, may offer a trusted contact program to customers who may designate one or more trusted contacts for the bank to contact in the event a customer is not responsive to bank communications,

the bank is presented with an urgent matter or emergency involving the customer and the bank is unable to locate the customer, or the bank suspects fraudulent activity or financial exploitation targeting the customer or the account has been deemed dormant and the bank is attempting to verify the status and location of the customer. The bank may establish such procedures, requirements, and forms as it deems appropriate and necessary should the bank decide to implement a trusted contact program.

5. Notwithstanding any other provision of law to the contrary, any bank may voluntarily offer customers an account with convenience and security features that set transaction limits and permit limited access to view account activity for one or more trusted contacts designated by the customer.

6. No bank shall be liable for the actions of a trusted contact.

7. No bank shall be liable for declining to interact with a trusted contact when the bank, in good faith and exercising reasonable care, determines that a trusted contact is not acting in the best interests of the customer.

8. A person designated by a customer as a trusted contact who acts in good faith and exercises reasonable care shall be immune from liability.

9. A customer may withdraw any appointment of a person as trusted contact at any time and any trusted contact may withdraw from status as a trusted contract at any time. The bank may require such documentation or verification as it deems necessary to establish the withdrawal or termination of a trusted contact.

10. No bank shall be civilly liable for implementing or not implementing a trusted contact program or for actions

or omissions related to providing or administering a trusted contact program.

370.245. 1. For purposes of this section, the following terms mean:

(1) "Credit union", any state or federally chartered credit union providing financial services to members;

(2) "Trusted contact", any adult person designated by a credit union member that a credit union may contact in the event of an emergency or loss of contact with the member, or suspected third party fraud or financial exploitation targeting the member.

2. Notwithstanding any other provision of law to the contrary, any credit union may report suspected fraudulent activity or financial exploitation targeting any of its members to a federal, state, county, or municipal law enforcement agency or any appropriate public protective agency and shall be immune from civil liability in doing so.

3. Notwithstanding any other provision of law to the contrary, any credit union, on a voluntary basis, may offer a trusted contact program to members who may designate one or more trusted contacts for the credit union to contact in the event a member is not responsive to credit union communications, the credit union is presented with an urgent matter or emergency involving the member and the credit union is unable to locate the member, or the credit union suspects fraudulent activity or financial exploitation targeting the member or the account has been deemed dormant and the credit union is attempting to verify the status and location of the member. The credit union may establish such procedures, requirements, and forms as it deems appropriate and necessary should the credit union opt to implement a trusted contact program.

4. Notwithstanding any other provision of law to the contrary, any credit union may voluntarily offer members an account with convenience and security features that set transaction limits and permit limited access to view account activity for one or more trusted contacts designated by the member.

5. No credit union shall be liable for the actions of a trusted contact.

6. No credit union shall be liable for declining to interact with a trusted contact when the credit union, in good faith and exercising reasonable care, determines that a trusted contact is not acting in the best interests of the member.

7. A person designated by a member as a trusted contact who acts in good faith and exercises reasonable care shall be immune from liability.

8. A member may withdraw any appointment of a person as a trusted contact at any time and any trusted contact may withdraw from status as a trusted contact at any time. The credit union may require such documentation or verification as it deems necessary to establish the withdrawal or termination of a trusted contact.

9. No credit union shall be civilly liable for implementing or not implementing or for actions or omissions related to providing or administering a trusted contact program.