

House _____ Amendment NO. _____

Offered By

1 AMEND House Bill No. 1736, Page 1, Section A, Line 4, by inserting after said section and line the
2 following:

3
4 "30.260. 1. The state treasurer shall prepare, maintain and adhere to a written investment
5 policy which shall include an asset allocation plan which limits the total amount of state moneys
6 which may be invested in any particular investment authorized by Section 15, Article IV of the
7 Missouri Constitution. Such asset allocation plan shall also set diversification limits, as applicable,
8 which shall include a restriction limiting the total amount of time deposits of state moneys, not
9 including linked deposits, placed with any one single banking institution to be no greater than ~~ten~~
10 fifteen percent of all time deposits of state moneys authorized under the asset allocation plan. The
11 state treasurer shall present a copy of such policy to the governor, commissioner of administration,
12 state auditor and general assembly at the commencement of each regular session of the general
13 assembly or at any time the written investment policy is amended.

14 2. The state treasurer shall determine by the exercise of the treasurer's best judgment the
15 amount of state moneys that are not needed for current operating expenses of the state government
16 and shall keep on demand deposit in banking institutions in this state selected by the treasurer and
17 approved by the governor and state auditor the amount of state moneys which the treasurer has so
18 determined are needed for current operating expenses of the state government and disburse the same
19 as authorized by law.

20 3. Within the parameters of the state treasurer's written investment policy, the state treasurer
21 shall place the state moneys which the treasurer has determined are not needed for current
22 operations of the state government on time deposit drawing interest in banking institutions in this
23 state selected by the treasurer and approved by the governor and the state auditor, or place them
24 outright or, if applicable, by repurchase agreement in obligations described in Section 15, Article IV,
25 Constitution of Missouri, as the treasurer in the exercise of the treasurer's best judgment determines
26 to be in the best overall interest of the people of the state of Missouri, giving due consideration to:

27 (1) The preservation of such state moneys;

28 (2) The benefits to the economy and welfare of the people of Missouri when such state
29 money is invested in banking institutions in this state that, in turn, provide additional loans and
30 investments in the Missouri economy and generate state taxes from such initial investments and the
31 loans and investments created by the banking institutions, compared to the removal or withholding
32 from banking institutions in the state of all or some such state moneys and investing same in
33 obligations authorized in Section 15, Article IV of the Missouri Constitution;

34 (3) The liquidity needs of the state;

35 (4) The aggregate return in earnings and taxes on the deposits and the investment to be
36 derived therefrom; and

Action Taken _____ Date _____

1 (5) All other factors which to the treasurer as a prudent state treasurer seem to be relevant to
2 the general public welfare in the light of the circumstances at the time prevailing. The state
3 treasurer may also place state moneys which are determined not needed for current operations of the
4 state government in linked deposits as provided in sections 30.750 to 30.765.

5 4. Except for state moneys deposited in linked deposits as provided in sections 30.750 to
6 30.860, the rate of interest payable by all banking institutions on time deposits of state moneys shall
7 be set under subdivisions (1) to (5) of this subsection and subsections 6 and 7 of this section. The
8 rate shall never exceed the maximum rate of interest which by federal law or regulation a bank
9 which is a member of the Federal Reserve System may from time to time pay on a time deposit of
10 the same size and maturity. The rate of interest payable by all banking institutions on time deposits
11 of state moneys is as follows:

12 (1) Beginning January 1, 2010, the rate of interest payable by a banking institution on up to
13 seven million dollars of time deposits of state moneys shall be the same as the average rate paid
14 during the week next preceding the week in which the deposit was made for United States of
15 America treasury securities maturing and becoming payable closest to the time of termination of the
16 deposit, as determined by the state treasurer, adjusted to the nearest one-tenth of a percent. In the
17 case of a banking institution that holds more than seven million dollars of time deposits of state
18 moneys, the rate of interest payable on deposits in excess of seven million dollars of time deposits of
19 state moneys shall be set at the market rate as determined in subsection 6 of this section;

20 (2) Beginning January 1, 2011, the rate of interest payable by a banking institution on up to
21 five million dollars of time deposits of state moneys shall be the same as the average rate paid
22 during the week next preceding the week in which the deposit was made for United States of
23 America treasury securities maturing and becoming payable closest to the time of termination of the
24 deposit, as determined by the state treasurer, adjusted to the nearest one-tenth of a percent. In the
25 case of a banking institution that holds more than five million dollars of time deposits of state
26 moneys, the rate of interest payable on deposits in excess of five million dollars of time deposits of
27 state moneys shall be set at the market rate as determined in subsection 6 of this section;

28 (3) Beginning January 1, 2012, the rate of interest payable by a banking institution on up to
29 three million dollars of time deposits of state moneys shall be the same as the average rate paid
30 during the week next preceding the week in which the deposit was made for United States of
31 America treasury securities maturing and becoming payable closest to the time of termination of the
32 deposit, as determined by the state treasurer, adjusted to the nearest one-tenth of a percent. In the
33 case of a banking institution that holds more than three million dollars of time deposits of state
34 moneys, the rate of interest payable on deposits in excess of three million dollars of time deposits of
35 state moneys shall be set at the market rate as determined in subsection 6 of this section;

36 (4) Beginning January 1, 2013, the rate of interest payable by a banking institution on up to
37 one million dollars of time deposits of state moneys shall be the same as the average rate paid
38 during the week next preceding the week in which the deposit was made for United States of
39 America treasury securities maturing and becoming payable closest to the time of termination of the
40 deposit, as determined by the state treasurer, adjusted to the nearest one-tenth of a percent. In the
41 case of a banking institution that holds more than one million dollars of time deposits of state
42 moneys, the rate of interest payable on deposits in excess of one million dollars of time deposits of
43 state moneys shall be set at the market rate as determined in subsection 6 of this section;

44 (5) Beginning January 1, 2014, the rate of interest payable by a banking institution on all
45 time deposits of state moneys shall be set at the market rate as determined in subsection 6 of this
46 section.

47 5. Notwithstanding subdivisions (1) to (5) of subsection 4 of this section, for any new time
48 deposits of state moneys placed after January 1, 2010, with a term longer than eighteen months, the
49 rate of interest payable by a banking institution shall be set at the market rate as determined in

1 subsection 6 of this section.

2 6. Market rate shall be determined no less frequently than once a month by the director of
3 investments in the office of state treasurer. The process for determining a market rate shall include
4 due consideration of prevailing rates offered for certificates of deposit by well-capitalized Missouri
5 financial institutions, the advance rate established by the Federal Home Loan Bank of Des Moines
6 for member institutions and the costs of collateralization, as well as an evaluation of the credit risk
7 associated with other authorized securities under Section 15, Article IV, of the Missouri
8 Constitution, or any other calculation determined by the state treasurer based on current market
9 investment indicators. Banking institutions may also offer a higher rate than the market rate for any
10 time deposit placed with the state treasurer in excess of the total amount of state moneys set at the
11 United States of America treasury securities maturing and becoming payable closest to the time of
12 termination of the deposit indicated in subdivisions (1) to (5) of subsection 4 of this section.

13 7. Within the parameters of the state treasurer's written investment policy, the state treasurer
14 may subscribe for or purchase outright or by repurchase agreement investments of the character
15 described in subsection 3 of this section which the treasurer, in the exercise of the treasurer's best
16 judgment, believes to be the best for investment of state moneys at the time and in payment therefor
17 may withdraw moneys from any bank account, demand or time, maintained by the treasurer without
18 having any supporting warrant of the commissioner of administration. The state treasurer may bid
19 on subscriptions for such obligations in accordance with the treasurer's best judgment. The state
20 treasurer shall provide for the safekeeping of all such obligations so acquired in the same manner
21 that securities pledged to secure the repayment of state moneys deposited in banking institutions are
22 kept by the treasurer pursuant to law. The state treasurer may hold any such obligation so acquired
23 by the treasurer until its maturity or prior thereto may sell the same outright or by reverse repurchase
24 agreement provided the state's security interest in the underlying security is perfected or temporarily
25 exchange such obligation for cash or other authorized securities of at least equal market value with
26 no maturity more than one year beyond the maturity of any of the traded obligations, for a
27 negotiated fee as the treasurer, in the exercise of the treasurer's best judgment, deems necessary or
28 advisable for the best interest of the people of the state of Missouri in the light of the circumstances
29 at the time prevailing. The state treasurer may pay all costs and expenses reasonably incurred by the
30 treasurer in connection with the subscription, purchase, sale, collection, safekeeping or delivery of
31 all such obligations at any time acquired by the treasurer.

32 8. As used in this chapter, except as more particularly specified in section 30.270,
33 obligations of the United States shall include securities of the United States Treasury, and United
34 States agencies or instrumentalities as described in Section 15, Article IV, Constitution of Missouri.
35 The word "temporarily" as used in this section shall mean no more than six months.

36 30.753. 1. The state treasurer may invest in linked deposits; however, the total amount so
37 deposited at any one time shall not exceed, in the aggregate, ~~seven hundred twenty~~ eight hundred
38 million dollars. No more than three hundred thirty million dollars of the aggregate deposit shall be
39 used for linked deposits to eligible farming operations, eligible locally owned businesses, eligible
40 agribusinesses, eligible beginning farmers, eligible livestock operations, and eligible facility
41 borrowers, no more than one hundred ~~ten~~ ninety million of the aggregate deposit shall be used for
42 linked deposits to small businesses, no more than twenty million dollars shall be used for linked
43 deposits to eligible multitenant development enterprises, and no more than twenty million dollars of
44 the aggregate deposit shall be used for linked deposits to eligible residential property developers and
45 eligible residential property owners, no more than two hundred twenty million dollars of the
46 aggregate deposit shall be used for linked deposits to eligible job enhancement businesses and no
47 more than twenty million dollars of the aggregate deposit shall be used for linked deposit loans to
48 eligible water systems. Linked deposit loans may be made to eligible student borrowers, eligible
49 alternative energy operations, eligible alternative energy consumers, and eligible governmental

1 entities from the aggregate deposit. If demand for a particular type of linked deposit exceeds the
2 initial allocation, and funds initially allocated to another type are available and not in demand, the
3 state treasurer may commingle allocations among the types of linked deposits.

4 2. The minimum deposit to be made by the state treasurer to an eligible lending institution
5 for eligible job enhancement business loans shall be ninety thousand dollars. Linked deposit loans
6 for eligible job enhancement businesses may be made for the purposes of assisting with relocation
7 expenses, working capital, interim construction, inventory, site development, machinery and
8 equipment, or other expenses necessary to create or retain jobs in the recipient firm.

9 30.758. 1. The state treasurer may accept or reject a linked deposit loan package or any
10 portion thereof.

11 2. The state treasurer shall make a good faith effort to ensure that the linked deposits are
12 placed with eligible lending institutions to make linked deposit loans to minority- or female-owned
13 eligible multitenant enterprises, eligible farming operations, eligible alternative energy operations,
14 eligible alternative energy consumers, eligible locally owned businesses, eligible small businesses,
15 eligible job enhancement businesses, eligible marketing enterprises, eligible residential property
16 developers, eligible residential property owners, eligible governmental entities, eligible
17 agribusinesses, eligible beginning farmers, eligible livestock operations, eligible student borrowers,
18 eligible facility borrowers, or eligible water supply systems. Results of such effort shall be included
19 in the linked deposit review committee's annual report to the governor.

20 3. Upon acceptance of the linked deposit loan package or any portion thereof, the state
21 treasurer may place linked deposits with the eligible lending institution as follows: when market
22 rates are five percent or above, the state treasurer shall reduce the market rate by up to three
23 percentage points to obtain the linked deposit rate; when market rates are less than five percent, the
24 state treasurer shall reduce the market rate by up to sixty percent to obtain the linked deposit rate.
25 All linked deposit rates are determined and calculated by the state treasurer. When necessary, the
26 treasurer may place linked deposits prior to acceptance of a linked deposit loan package.

27 4. The eligible lending institution shall enter into a deposit agreement with the state
28 treasurer, which shall include requirements necessary to carry out the purposes of sections 30.750 to
29 30.765. The deposit agreement shall specify the length of time for which the lending institution will
30 lend funds upon receiving a linked deposit, and the original deposit plus renewals shall not exceed
31 five years, except as otherwise provided in this chapter. The agreement shall also include provisions
32 for the linked deposit of a linked deposit for an eligible facility borrower, eligible multitenant
33 enterprise, eligible farming operation, eligible alternative energy operation, eligible alternative
34 energy consumer, eligible locally owned business, eligible small business, eligible marketing
35 enterprise, eligible residential property developer, eligible residential property owner, eligible
36 governmental entity, eligible agribusiness, eligible beginning farmer, eligible livestock operation,
37 eligible student borrower or job enhancement business. Interest shall be paid at the times
38 determined by the state treasurer.

39 5. The period of time for which such linked deposit is placed with an eligible lending
40 institution shall be neither longer nor shorter than the period of time for which the linked deposit is
41 used to provide loans at reduced interest rates. The agreement shall further provide that the state
42 shall receive market interest rates on any linked deposit or any portion thereof for any period of time
43 for which there is no corresponding linked deposit loan outstanding to an eligible multitenant
44 enterprise, eligible farming operation, eligible alternative energy operation, eligible alternative
45 energy consumer, eligible locally owned business, eligible small business, eligible job enhancement
46 business, eligible marketing enterprise, eligible residential property developer, eligible residential
47 property owner, eligible governmental entity, eligible agribusiness, eligible beginning farmer,
48 eligible livestock operation, eligible student borrower, eligible facility borrower, or eligible water
49 supply system, except as otherwise provided in this subsection. Within thirty days after the annual

1 anniversary date of the linked deposit, the eligible lending institution shall repay the state treasurer
 2 any linked deposit principal received from borrowers in the previous yearly period and thereafter
 3 repay such principal within thirty days of the yearly anniversary date calculated separately for each
 4 linked deposit loan, and repaid at the linked deposit rate. Such principal payment shall be
 5 accelerated when more than thirty percent of the linked deposit loan is repaid within a single
 6 monthly period. Any principal received and not repaid, up to the point of the thirty percent or more
 7 payment, shall be repaid within thirty days of that payment at the linked deposit rate. Finally, when
 8 the linked deposit is tied to a revolving line of credit agreement between the banking institution and
 9 its borrower, the full amount of the line of credit shall be excluded from the repayment provisions of
 10 this subsection.

11 6. The state treasurer shall give priority to maintaining linked deposit agreement renewals
 12 over funding new linked deposit applications.

13 385.015. All life insurance, accident and sickness insurance, involuntary unemployment
 14 insurance, credit casualty insurance, and property insurance written in connection with loans or
 15 other credit transactions shall be subject to the provisions of sections 385.010 to 385.080, except
 16 insurance for which no identifiable charge is made to the debtor and insurance written in connection
 17 with a loan or other credit transaction of more than ~~ten~~ fifteen years duration; nor shall insurance
 18 be subject to the provisions of sections 385.010 to 385.080 if the issuance of the insurance is an
 19 isolated transaction on the part of the insurer not related to an agreement or a plan for insuring
 20 debtors of the creditor or where the issuance of such insurance is in connection with a residential
 21 real estate secured credit transaction commitment exceeding twenty-five thousand dollars, which
 22 may be accessed on a discretionary basis by the debtor."; and
 23

24 Further amend said bill, Page 11, Section 409.6-604, Line 60, by inserting after said section and line
 25 the following:
 26

27 "443.717. 1. Mortgage loan originators shall satisfy a preclicensing education requirement
 28 through approved education courses of at least twenty hours approved in accordance with subsection
 29 2 of this section, which shall include at least:

- 30 (1) Three hours of federal law and regulations;
- 31 (2) Three hours of ethics, which shall include instruction on fraud, consumer protection, and
 32 fair lending issues; and
- 33 (3) Two hours of training related to lending standards for the nontraditional mortgage
 34 product marketplace.

35 2. For purposes of subsection 1 of this section, preclicensing approved education courses
 36 include courses reviewed and approved by the NMLSR based upon reasonable standards. Review
 37 and approval of a preclicensing education course shall include review and approval of the course
 38 provider.

39 3. Nothing in this section shall preclude any preclicensing education course, as approved by
 40 the NMLSR, that is provided by the employer of the applicant or person who is affiliated with the
 41 applicant by an agency contract, or any subsidiary or affiliate of such employer or person.

42 4. Preclicensing education may be offered in a classroom, online, or by any other means
 43 approved by the NMLSR.

44 5. The preclicensing education requirements approved by the NMLSR in subdivisions (1) to
 45 (3) of subsection 1 of this section for any state shall be accepted as credit towards completion of
 46 preclicensing education requirements in Missouri.

47 6. A person previously licensed under sections 443.701 to 443.893 applying to be licensed
 48 again shall prove that they have completed all of the continuing education requirements, if any, for
 49 the year in which the license was last held.

1 7. A preclicensing education course completed by an individual shall not satisfy the
 2 preclicensing education requirement if the course precedes an application by a certain period as
 3 established by the NMLSR.

4 443.825. 1. Application for a residential mortgage loan broker license shall be made as
 5 provided in sections 443.833 and 443.835. The application shall be in writing, made under oath,
 6 and on a form provided by the director.

7 2. The director may, by rule, revise and conform the residential mortgage loan broker
 8 license application and renewal process, and the licensing dates and periods under sections 443.701
 9 to 443.893 to a system of licensing residential mortgage loan brokers administered in cooperation
 10 with the NMLSR.

11 3. The application shall contain the name and complete business and residential address or
 12 addresses of the applicant. If the applicant is a form of business organization, the application shall
 13 contain the names and complete business and residential addresses of each member, director and
 14 principal officer of such person. Such application shall also include a description of the activities of
 15 the applicant, in such detail and for such periods as the director may require, including all of the
 16 following:

17 (1) An affirmation of financial solvency noting such capitalization requirements as may be
 18 required by the director, and access to such credit as may be required by the director;

19 (2) An affirmation that the applicant or the applicant's members, directors or principals, as
 20 may be appropriate, are at least eighteen years of age;

21 (3) Information that would support findings under subdivision (4) of section 443.821 as to
 22 the character, fitness, financial and business responsibility, background, experience and criminal
 23 records of any:

24 (a) Person or ultimate equitable owner that owns or controls, directly or indirectly, ten
 25 percent or more of any class of stock of the applicant;

26 (b) Person or ultimate equitable owner that is not a depository institution that lends,
 27 provides or infuses, directly or indirectly, in any way, funds to or into an applicant, in an amount
 28 equal to, or more than, ten percent of the applicant's net worth;

29 (c) Person or ultimate equitable owner that controls, directly or indirectly, the election of
 30 twenty-five percent or more of the members of the board of directors of the applicant; and

31 (d) Person or ultimate equitable owner that the director finds influences management of the
 32 applicant.

33 4. All persons listed under subdivision (3) of subsection 3 of this section shall furnish
 34 fingerprints to the NMLSR for submission to the Federal Bureau of Investigation and any
 35 governmental agency or person authorized to receive such information for a state, national, and
 36 international criminal history background check.

37 5. For the purposes of this chapter and in order to reduce the points of contact which the
 38 Federal Bureau of Investigation may have to maintain, the director may use the NMLSR as an agent
 39 for requesting information from and distributing information to the Department of Justice or any
 40 other governmental agency.

41 443.855. The director may prescribe rules governing the advertising of mortgage loans,
 42 including, without limitation, ~~the following requirements:~~

43 ~~—(1) rules that advertising pursuant to sections 443.701 to 443.893 may not be false,~~
 44 ~~misleading or deceptive. No person whose activities are regulated pursuant to the provisions of~~
 45 ~~sections 443.701 to 443.893 may advertise in any manner so as to indicate or imply that the person's~~
 46 ~~interest rates or charges for loans are in any way recommended, approved, set or established by the~~
 47 ~~state or federal government or by the provisions of sections 443.701 to 443.893];~~

48 ~~—(2) All advertisements by a licensee shall contain the name and an office address of such~~
 49 ~~person, which shall conform to a name and address on record with the director].~~

1 443.857. Each residential mortgage loan broker shall maintain, in the state of Missouri, at
2 least one full-service office with staff reasonably adequate to efficiently handle all matters relating
3 to any proposed or existing home mortgage with respect to which such residential mortgage loan
4 broker is performing services; except that, this provision may be waived by the director for persons
5 providing mortgage loan servicing ~~[under section 443.812]~~ or exclusively engaged in the business of
6 loan processing or underwriting as defined in this chapter.

7 476.419. 1. Notwithstanding any provision of law to the contrary, a court shall not divide
8 securities among multiple recipients in such a way that negotiable securities become nonnegotiable
9 securities.

10 2. A court may divide securities into increments equal to a multiple of an allowable
11 tradeable amount. For purposes of this section, an "allowable tradeable amount" is the minimum
12 amount or denomination accepted by the industry, as defined in the official statement or offering
13 document of the original security. If the provisions of this section prevent the distribution of
14 property in the proportion that other law requires, a court may:

15 (1) Distribute different values of securities to different recipients and distribute other
16 property in a way so that the total value of property each recipient receives is as close to the proper
17 proportion as practicable;

18 (2) Liquidate the securities and distribute the resulting moneys among recipients; or

19 (3) Take other action within its power, including a combination of subdivisions (1) and (2)
20 of this subsection."; and

21
22 Further amend said bill by amending the title, enacting clause, and intersectional references
23 accordingly.