

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By

1 AMEND Senate Committee Substitute for Senate Bill No. 345, Page 1, Lines 4 and 5 of the Title by  
2 deleting all of said lines and inserting in lieu thereof the following: "financial transactions, with an  
3 existing penalty provision."; and  
4

5 Further amend said bill, Page 6, Section 407.640, Line 27, by inserting after said line the following:  
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7 "408.140. 1. No further or other charge or amount whatsoever shall be directly or indirectly  
8 charged, contracted for or received for interest, service charges or other fees as an incident to any  
9 such extension of credit except as provided and regulated by sections 367.100 to 367.200 and except:

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

16 (2) The lawful fees actually and necessarily paid out by the lender to any public officer for  
17 filing, recording, or releasing in any public office any instrument securing the loan, which fees may  
18 be collected when the loan is made or at any time thereafter; however, premiums for insurance in lieu  
19 of perfecting a security interest required by the lender may be charged if the premium does not  
20 exceed the fees which would otherwise be payable;

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

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

30 (5) Charges or premiums for insurance written in connection with any loan against loss of or  
31 damage to property or against liability arising out of ownership or use of property as provided in

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1 section 367.170; however, notwithstanding any other provision of law, with the consent of the  
2 borrower, such insurance may cover property all or part of which is pledged as security for the loan,  
3 and charges or premiums for insurance providing life, health, accident, or involuntary  
4 unemployment coverage;

5 (6) Reasonable towing costs and expenses of retaking, holding, preparing for sale, and  
6 selling any personal property in accordance with section 400.9;

7 (7) Charges assessed by any institution for processing a refused instrument plus a handling  
8 fee of not more than twenty-five dollars;

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

14 (9) Provided the debtor agrees in writing, the lender may collect a fee in advance for  
15 allowing the debtor to defer up to three monthly loan payments, so long as the fee is no more than  
16 the lesser of fifty dollars or ten percent of the loan payments deferred, no extensions are made until  
17 the first loan payment is collected and no more than one deferral in a twelve-month period is agreed  
18 to and collected on any one loan; this subdivision applies to nonprecomputed loans only and does not  
19 affect any other subdivision;

20 (10) If the open-end credit contract is tied to a transaction account in a depository institution,  
21 such account is in the institution's assets and such contract provides for loans of thirty-one days or  
22 longer which are "open-end credit", as such term is defined in the federal Consumer Credit  
23 Protection Act and regulations thereunder, the creditor may charge a credit advance fee of up to the  
24 lesser of seventy-five dollars or ten percent of the credit advanced from time to time from the line of  
25 credit; such credit advance fee may be added to the open-end credit outstanding along with any  
26 interest, and shall not be considered the unlawful compounding of interest as that term is defined in  
27 section 408.120;

28 (11) A deficiency waiver addendum, guaranteed asset protection, or a similar product  
29 purchased as part of a loan transaction with collateral and at the borrower's consent, provided the  
30 cost of the product is disclosed in the loan contract, is reasonable, and the requirements of section  
31 408.380 are met.

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

37 3. Notwithstanding any other provision of law to the contrary, in addition to charges allowed  
38 pursuant to section 408.100, an open-end credit contract provided by a company, financial  
39 institution, savings and loan or other credit issuing company which is regulated pursuant to this  
40 chapter may charge an annual fee not to exceed fifty dollars."; and  
41

1 Further amend said bill , Page 8, Section 408.500, Line 67 by inserting after said line the following:

2  
3 "443.719. 1. In order to meet the written test requirement under sections 443.701 to 443.893,  
4 an individual shall pass, in accordance with the standards established under this section, a qualified  
5 written test developed by the NMLSR based upon reasonable standards, and designated as the  
6 NMLSR'S National Test Component with Uniform State Content for Mortgage Loan Originator  
7 licensing.

8 2. A written test shall not be treated as a qualified written test for purposes of subsection 1 of  
9 this section unless the test adequately measures the applicant's knowledge and comprehension in  
10 appropriate subject areas, including:

11 (1) Ethics;

12 (2) Federal law and regulation pertaining to mortgage origination;

13 (3) State law and regulation pertaining to mortgage origination;

14 (4) Federal and state law and regulation on fraud, consumer protection, the nontraditional  
15 mortgage marketplace, and fair lending issues.

16 3. Nothing in this section shall prohibit a test provider approved by the NMLSR from  
17 providing a test at the location of the employer of the applicant or the location of any subsidiary or  
18 affiliate of the employer of the applicant, or the location of any person with which the applicant  
19 holds an exclusive arrangement to conduct the business of a mortgage loan originator.

20 4. An applicant for licensure as a mortgage loan originator shall demonstrate minimum  
21 competence as follows:

22 (1) An individual shall not be considered to have passed a qualified written test unless the  
23 individual achieves a test score of not less than seventy-five percent correct answers to questions;

24 (2) An individual may retake a test two times with each consecutive taking occurring at least  
25 thirty days after the preceding test;

26 (3) After failing three consecutive tests, an individual shall wait at least six months before  
27 taking the test again;

28 (4) A licensed mortgage loan originator who fails to maintain a valid license for a period of  
29 five years or longer shall retake the test, not taking into account any time during which such  
30 individual is a registered mortgage loan originator."; and

31  
32 Further amend said bill by amending the title, enacting clause, and intersectional references  
33 accordingly.