

By: Senator(s) White (5th)

To: Business and
Financial
Institutions

SENATE BILL NO. 2075

1 AN ACT TO AMEND SECTION 75-67-519, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT IF A CHECK CASHING LICENSEE ENGAGES IN THE
3 ACTIVITY OF DEFERRING THE DEPOSITS OF PERSONAL CHECKS CASHED FOR
4 CUSTOMERS, THEN THE LICENSEE SHALL ALSO ENGAGE IN THE BUSINESS OF
5 CASHING CHECKS, THE DEPOSITS OF WHICH ARE NOT DEFERRED, FOR
6 CUSTOMERS IN ACCORDANCE WITH SECTION 75-67-517, MISSISSIPPI CODE
7 OF 1972; AND FOR RELATED PURPOSES.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

9 SECTION 1. Section 75-67-519, Mississippi Code of 1972, is
10 amended as follows:

11 75-67-519. (1) A licensee may defer the deposit of a
12 personal check cashed for a customer for up to thirty (30) days
13 under the provisions of this section. However, if a licensee
14 engages in the activity of deferring the deposits of personal
15 checks cashed for customers, then the licensee shall also engage
16 in the business of cashing checks, the deposits of which are not
17 deferred, for customers in accordance with Section 75-67-517.

18 (2) The face amount of any delayed deposit check cashed
19 under the provisions of this section shall not exceed Four Hundred
20 Dollars (\$400.00).

21 (3) Each delayed deposit check cashed by a licensee shall be
22 documented by a written agreement that has been signed by the
23 customer and the licensee. The written agreement shall contain a
24 statement of the total amount of any fees charged, expressed as a
25 dollar amount and as an annual percentage rate. The written
26 agreement shall authorize the licensee to defer deposit of the
27 personal check until a specific date not later than thirty (30)
28 days from the date the check is cashed.

29 (4) A licensee shall not directly or indirectly charge any
30 fee or other consideration for cashing a delayed deposit check in
31 excess of eighteen percent (18%) of the face amount of the check.

32 (5) No check cashed under the provisions of this section
33 shall be repaid by the proceeds of another check cashed by the
34 same licensee or any affiliate of the licensee. A licensee shall
35 not, for any consideration, renew or otherwise extend any delayed
36 deposit check.

37 SECTION 2. This act shall take effect and be in force from
38 and after July 1, 1999.