

By: Representative Holland

To: Banks and Banking

HOUSE BILL NO. 784

1 AN ACT TO AMEND SECTIONS 75-67-419 AND 75-67-505, MISSISSIPPI
2 CODE OF 1972, TO ALLOW TITLE PLEDGE LENDERS AND CHECK CASHERS TO
3 ENGAGE IN EACH OF THOSE BUSINESSES AFTER BEING LICENSED, AND TO
4 ENGAGE IN CERTAIN OTHER BUSINESS ACTIVITIES; TO ALLOW TITLE PLEDGE
5 LENDERS AND CHECK CASHERS TO USE THE SAME FACILITIES AND PERSONNEL
6 FOR EACH OF THOSE BUSINESSES AND FOR ANY OF THE OTHER ALLOWED
7 BUSINESS ACTIVITIES; AND FOR RELATED PURPOSES.

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

9 SECTION 1. Section 75-67-419, Mississippi Code of 1972, is
10 amended as follows:

11 75-67-419. (1) A person may not engage in business as a
12 title pledge lender or otherwise portray himself as a title pledge
13 lender unless the person has a valid license authorizing
14 engagement in the business. A separate license is required for
15 each place of business under this article. The commissioner may
16 issue more than one (1) license to a person if that person
17 complies with this article for each license. A new license or
18 application to transfer an existing license is required upon a
19 change, directly or beneficially, in the ownership of any licensed
20 title pledge office and an application shall be made to the
21 commissioner in accordance with this article. A licensed title
22 pledge lender may engage in business as a check cashier after
23 receiving a license under Section 75-67-501 et seq., and may, as
24 part of his business, engage in any of the other business
25 activities allowed for check cashers under Section 75-67-505. The
26 licensed title pledge lender may use the same facilities and
27 personnel for the title pledge business and for any of the other
28 business activities allowed under this section and Section
29 75-67-505.



30 (2) When a licensee wishes to move a title pledge office to
31 another location, the licensee shall give thirty (30) days prior
32 written notice to the commissioner who shall amend the license
33 accordingly.

34 (3) Each license shall remain in full force and effect until
35 relinquished, suspended, revoked or expired. With each initial
36 application for a license, the applicant shall pay the
37 commissioner at the time of making the application a license fee
38 of Seven Hundred Fifty Dollars (\$750.00), and on or before June 1
39 of each year thereafter, an annual renewal fee of Four Hundred
40 Seventy-five Dollars (\$475.00). If the annual fee remains unpaid
41 thirty (30) days after June 1, the license shall thereupon expire,
42 but not before June 30 of any year for which the annual fee has
43 been paid. If any person engages in business as provided for in
44 this article without paying the license fee provided for in this
45 article before commencing business or before the expiration of
46 such person's current license, as the case may be, then the person
47 shall be liable for the full amount of the license fee, plus a
48 penalty in an amount not to exceed Twenty-five Dollars (\$25.00)
49 for each day that the person has engaged in the business without a
50 license or after the expiration of a license. All licensing fees
51 and penalties shall be paid into the Consumer Finance Fund of the
52 Department of Banking and Consumer Finance.

53 (4) Notwithstanding other provisions of this article, the
54 commissioner may issue a temporary license authorizing the
55 operation of a title pledge office on the receipt of an
56 application to transfer a license from one person to another or on
57 the receipt of an application for a license involving principals
58 and owners that are substantially identical to those of an
59 existing licensed title pledge office. The temporary license is
60 effective until the permanent license is issued or denied.

61 (5) Notwithstanding other provisions of this article,
62 neither a new license nor an application to transfer an existing



63 license shall be required upon any change, directly or
64 beneficially, in the ownership of any licensed title pledge office
65 incorporated under the laws of this state or any other state so
66 long as the licensee continues to operate as a corporation doing a
67 title pledge business under the license. The commissioner may,
68 however, require the licensee to provide such information as he
69 deems reasonable and appropriate concerning the officer and
70 directors of the corporation and persons owning in excess of
71 twenty-five percent (25%) of the outstanding shares of the
72 corporation.

73 SECTION 2. Section 75-67-505, Mississippi Code of 1972, is
74 amended as follows:

75 75-67-505. (1) A person may not engage in business as a
76 check casher or otherwise portray himself as a check casher unless
77 the person has a valid license authorizing engagement in the
78 business. A separate license is required for each place of
79 business under this article, and each business must be independent
80 of, and not a part of, any other business operation, except as
81 otherwise allowed under this section. A check cashing business
82 shall not be a part of, or located at the same business address
83 with, a pawnshop or small loan company. However, a licensed check
84 casher may engage in business as a title pledge lender after
85 receiving a license under Section 75-67-401 et seq., and may, as a
86 part of his business, sell money orders, sell prepaid phone cards,
87 do income tax preparations, and operate a processing center where
88 utility bills are collected from the general public and
89 governmental payments are distributed. The licensed check casher
90 may use the same facilities and personnel for the check cashing
91 business and for any of the other business activities allowed
92 under this section. The commissioner may issue more than one (1)
93 license to a person if that person complies with this article for
94 each license. A new license or application to transfer an
95 existing license is required upon a change, directly or



96 beneficially, in the ownership of any licensed check casher
97 business and an application shall be made to the commissioner in
98 accordance with this article.

99 (2) When a licensee wishes to move a check casher business
100 to another location, the licensee shall give thirty (30) days'
101 prior written notice to the commissioner who shall amend the
102 license accordingly.

103 (3) Each license shall remain in full force and effect until
104 relinquished, suspended, revoked or expired. With each initial
105 application for a license, the applicant shall pay the
106 commissioner at the time of making the application a license fee
107 of Seven Hundred Fifty Dollars (\$750.00), and on or before
108 September 1 of each year thereafter, an annual renewal fee of Four
109 Hundred Seventy-five Dollars (\$475.00). If the annual renewal fee
110 remains unpaid twenty-nine (29) days after September 1, the
111 license shall thereupon expire, but not before the thirtieth day
112 of September of any year for which the annual fee has been paid.

113 (4) Notwithstanding other provisions of this article, the
114 commissioner may issue a temporary license authorizing the
115 operator of a check casher business on the receipt of an
116 application for a license involving principals and owners that are
117 substantially identical to those of an existing licensed check
118 casher. The temporary license is effective until the permanent
119 license is issued or denied.

120 (5) Notwithstanding other provisions of this article,
121 neither a new license nor an application to transfer an existing
122 license shall be required upon any change, directly or
123 beneficially, in the ownership of any licensed check casher
124 business incorporated under the laws of this state or any other
125 state as long as the licensee continues to operate as a
126 corporation doing a check casher business under the license.
127 However, the commissioner may require the licensee to provide such
128 information as he deems reasonable and appropriate concerning the



129 officers and directors of the corporation and persons owning in
130 excess of twenty-five percent (25%) of the outstanding shares of
131 the corporation.

132 SECTION 3. This act shall take effect and be in force from
133 and after July 1, 2001.

