To: Banks and Banking

MISSISSIPPI LEGISLATURE  
REGULAR SESSION 2001

By: Representative Holland  
To: Banks and Banking

HOUSE BILL NO. 784

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

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

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

75-67-419. (1) A person may not engage in business as a title pledge lender or otherwise portray himself as a title pledge lender unless the person has a valid license authorizing engagement in the business. A separate license is required for each place of business under this article. The commissioner may issue more than one (1) license to a person if that person complies with this article for each license. A new license or application to transfer an existing license is required upon a change, directly or beneficially, in the ownership of any licensed title pledge office and an application shall be made to the commissioner in accordance with this article. A licensed title pledge lender may engage in business as a check casher after receiving a license under Section 75-67-501 et seq., and may, as part of his business, engage in any of the other business activities allowed for check cashers under Section 75-67-505. The licensed title pledge lender may use the same facilities and personnel for the title pledge business and for any of the other business activities allowed under this section and Section 75-67-505.
(2) When a licensee wishes to move a title pledge office to another location, the licensee shall give thirty (30) days prior written notice to the commissioner who shall amend the license accordingly.

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

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

(5) Notwithstanding other provisions of this article, neither a new license nor an application to transfer an existing
license shall be required upon any change, directly or beneficially, in the ownership of any licensed title pledge office incorporated under the laws of this state or any other state so long as the licensee continues to operate as a corporation doing a title pledge business under the license. The commissioner may, however, require the licensee to provide such information as he deems reasonable and appropriate concerning the officer and directors of the corporation and persons owning in excess of twenty-five percent (25%) of the outstanding shares of the corporation.

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

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

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

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

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

(5) Notwithstanding other provisions of this article,
neither a new license nor an application to transfer an existing
license shall be required upon any change, directly or
beneficially, in the ownership of any licensed check casher
business incorporated under the laws of this state or any other
state as long as the licensee continues to operate as a
corporation doing a check casher business under the license.
However, the commissioner may require the licensee to provide such
information as he deems reasonable and appropriate concerning the
officers and directors of the corporation and persons owning in
excess of twenty-five percent (25%) of the outstanding shares of
the corporation.

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