

By: Senator(s) Mettetal

To: Business and Financial
Institutions

SENATE BILL NO. 2407

1 AN ACT TO REENACT SECTION 81-3-12, MISSISSIPPI CODE OF 1972,
2 WHICH CREATES THE STATE BOARD OF BANKING REVIEW AND PRESCRIBES ITS
3 DUTIES AND POWERS; TO REPEAL SECTION 81-3-14, MISSISSIPPI CODE OF
4 1972, WHICH REPEALS THE PROVISION OF LAW THAT CREATES THE STATE
5 BOARD OF BANKING REVIEW; AND FOR RELATED PURPOSES.

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

7 SECTION 1. Section 81-3-12, Mississippi Code of 1972, is
8 reenacted as follows:

9 81-3-12. (1) There is created the State Board of Banking
10 Review, which shall be composed of five (5) members appointed by
11 the Governor as provided in this section, one (1) of whom shall be
12 from the First Supreme Court District, one (1) of whom shall be
13 from the Second Supreme Court District, one (1) of whom shall be
14 from the Third Supreme Court District, and two (2) of whom shall
15 be from the state at large. The members appointed from the state
16 at large shall be designated as representatives of the banks and
17 shall be active executive officers or directors of state chartered
18 banks with actual practical experience of at least five (5) years
19 therein. The members appointed from each Supreme Court district
20 shall be persons knowledgeable in economic affairs and of
21 recognized ability in a trade or business, with at least three (3)
22 years' actual experience therein, but shall not presently be
23 officers or directors in any banking corporation, shall not have
24 been officers or directors in any banking corporation for the past
25 five (5) years immediately prior to their appointment to the
26 board, shall not become officers or directors of any banking
27 corporation while serving on the board, and shall not be the
28 beneficial owner, directly or indirectly, of five percent (5%) or

29 more of the capital stock in any banking corporation; such persons
30 shall be designated representatives of borrowers and depositors.
31 Each member shall be eligible for reappointment at the discretion
32 of the Governor. The board shall elect from its number a chairman
33 and a vice chairman. Each member of the board shall be a citizen
34 of the United States, a resident of the State of Mississippi and a
35 qualified elector therein, of integrity and sound and nonpartisan
36 judgment. Each member shall qualify by taking the oath of office
37 and shall hold office until his successor is appointed and
38 qualified.

39 (2) On March 21, 1980, the board shall be appointed as
40 follows: The Governor shall appoint one (1) member from the Third
41 Supreme Court District for a term of one (1) year, one (1) member
42 from the Second Supreme Court District for a term of two (2)
43 years, one (1) member from the First Supreme Court District for a
44 term of three (3) years, one (1) member from the state at large
45 for a term of four (4) years, and one (1) member from the state at
46 large for a term of five (5) years. Upon the expiration of the
47 foregoing terms, members shall be appointed by the Governor for
48 terms of five (5) years. The Governor shall fill any vacancy in
49 the above terms by appointment of a member for the unexpired term.
50 All appointments shall be with the advice and consent of the
51 Senate.

52 (3) The members of the board shall serve without
53 compensation except that members shall be paid their actual and
54 necessary expenses in connection with the performance of their
55 duties as members of the board, including mileage, as authorized
56 in Section 25-3-41, plus a per diem as is authorized by law while
57 engaged in the performance of such duties. Such expenses, mileage
58 and per diem allowance shall be paid out of the maintenance fund
59 of the Department of Banking and Consumer Finance.

60 (4) If an application for authority to establish a bank,
61 branch bank or branch office be filed with the commissioner for

62 consideration from any municipality or county of which the member
63 of the board who is a representative of the banks is a resident,
64 or if such application is filed from any county in which the
65 member's bank has a branch bank or branch office, such member
66 shall be ineligible to serve in consideration and determination of
67 such application, and the commissioner shall certify such fact to
68 the Governor who shall thereupon appoint another banker from the
69 same geographical location as the member who is ineligible to
70 serve on the board in the place and stead of such member during
71 consideration of such application.

72 (5) In addition to its other duties and powers, the board
73 may adopt reasonable rules or regulations, consistent with
74 applicable provisions of law, concerning the conduct of board
75 meetings and hearings and all formal and informal board procedures
76 relating to such meetings and hearings. The board shall have
77 authority, with respect to its hearings or meetings, to determine
78 the order and form in which evidence may be presented and to
79 impose reasonable time limitations on presentation of evidence.

80 SECTION 2. Section 81-3-14, Mississippi Code of 1972, which
81 repeals the provision of law that creates the State Board of
82 Banking Review and prescribes its duties and powers, is hereby
83 repealed.

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