To: Business and Financial Institutions

MISSISSIPPI LEGISLATURE                        REGULAR SESSION 2001
By: Senator(s) Mettetal

SENATE BILL NO. 2407

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

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

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

81-3-12. (1) There is created the State Board of Banking Review, which shall be composed of five (5) members appointed by the Governor as provided in this section, one (1) of whom shall be from the First Supreme Court District, one (1) of whom shall be from the Second Supreme Court District, one (1) of whom shall be from the Third Supreme Court District, and two (2) of whom shall be from the state at large. The members appointed from the state at large shall be designated as representatives of the banks and shall be active executive officers or directors of state chartered banks with actual practical experience of at least five (5) years therein. The members appointed from each Supreme Court district shall be persons knowledgeable in economic affairs and of recognized ability in a trade or business, with at least three (3) years' actual experience therein, but shall not presently be officers or directors in any banking corporation, shall not have been officers or directors in any banking corporation for the past five (5) years immediately prior to their appointment to the board, shall not become officers or directors of any banking corporation while serving on the board, and shall not be the beneficial owner, directly or indirectly, of five percent (5%) or
more of the capital stock in any banking corporation; such persons shall be designated representatives of borrowers and depositors. Each member shall be eligible for reappointment at the discretion of the Governor. The board shall elect from its number a chairman and a vice chairman. Each member of the board shall be a citizen of the United States, a resident of the State of Mississippi and a qualified elector therein, of integrity and sound and nonpartisan judgment. Each member shall qualify by taking the oath of office and shall hold office until his successor is appointed and qualified.

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

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

(4) If an application for authority to establish a bank, branch bank or branch office be filed with the commissioner for
consideration from any municipality or county of which the member
of the board who is a representative of the banks is a resident,
or if such application is filed from any county in which the
member's bank has a branch bank or branch office, such member
shall be ineligible to serve in consideration and determination of
such application, and the commissioner shall certify such fact to
the Governor who shall thereupon appoint another banker from the
same geographical location as the member who is ineligible to
serve on the board in the place and stead of such member during
consideration of such application.

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

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

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