HOUSE BILL NO. 1223

AN ACT TO AMEND SECTION 75-67-419, MISSISSIPPI CODE OF 1972, TO REQUIRE CONTINUING EDUCATION FOR INDIVIDUALS ENGAGED IN BUSINESS AS A TITLE PLEDGE LENDER; 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.

(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.
(6) Each application for the renewal of a license shall include evidence of the satisfactory completion of at least eight (8) hours of approved continuing education in title pledge loan transactions by the officers and principals who are or will be actively engaged in the daily operation of a title pledge business in the State of Mississippi. For purposes of this subsection, approved courses shall be those as approved by the Mississippi Title Pledge Lenders Association.

SECTION 2. This act shall take effect and be in force from and after July 1, 2002.