

By: Representative Chism

To: Banks and Banking

HOUSE BILL NO. 477

1 AN ACT TO PROHIBIT FINANCIAL INSTITUTIONS FROM CHARGING THEIR
2 CUSTOMERS A FEE FOR PROCESSING INSURANCE DRAFTS PAYABLE TO THE
3 CUSTOMER FOR DAMAGE SUSTAINED IN A NATURAL DISASTER; AND FOR
4 RELATED PURPOSES.

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

6 **SECTION 1.** (1) A financial institution shall not charge a
7 fee to a customer of the financial institution for cashing,
8 handling or processing a draft from an insurance company that is
9 payable to the customer for damage sustained by the customer in a
10 natural disaster, such as a hurricane, flood, tornado, wind, ice
11 storm or earthquake.

12 (2) As used in this section, the following terms shall have
13 the following meanings:

14 (a) "Customer" means an individual who has a checking
15 or savings account at a financial institution.

16 (b) "Financial institution" means:

17 (i) Any bank, savings association, savings and
18 loan association, savings bank or credit union incorporated under
19 the laws of the State of Mississippi that offers checking or
20 savings accounts to Mississippi residents;

21 (ii) Any bank, savings association, savings and
22 loan association or credit union incorporated under the laws of
23 the United States and having an office in Mississippi that offers
24 checking or savings accounts to Mississippi residents; and

25 (iii) Any bank, savings association, savings and
26 loan association, savings bank or credit union incorporated under
27 the laws of another state and having an office in Mississippi that
28 offers checking or savings accounts to Mississippi residents.



29 **SECTION 2.** This act shall take effect and be in force from
30 and after July 1, 2003.

