

By: Senator(s) Mettetal

To: Business and Financial  
Institutions

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2561

1 AN ACT TO AMEND SECTION 75-15-3, MISSISSIPPI CODE OF 1972, TO  
2 REVISE THE DEFINITION OF THE TERM "CHECK" UNDER THE SALE OF CHECKS  
3 LAW; TO AMEND SECTION 75-15-7, MISSISSIPPI CODE OF 1972, TO DELETE  
4 THE EXEMPTION FROM THE SALE OF CHECKS LAW FOR THE RECEIPT OF MONEY  
5 BY A TELEGRAPH COMPANY FOR IMMEDIATE TRANSMISSION BY TELEGRAPH; TO  
6 AMEND SECTION 75-15-19, MISSISSIPPI CODE OF 1972, TO REVISE THE  
7 EXAMINATION FEE WHICH MAY BE CHARGED BY THE COMMISSIONER OF  
8 BANKING FOR EXAMINING THE RECORDS OF LICENSEES UNDER THE SALE OF  
9 CHECKS LAW; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** Section 75-15-3, Mississippi Code of 1972, is  
12 amended as follows:

13 75-15-3. For the purposes of this chapter:

14 (a) "Person" means any individual, partnership,  
15 association, joint stock association, trust or corporation, but  
16 does not include the United States government or the government of  
17 this state.

18 (b) "Licensee" means a person duly licensed by the  
19 commissioner under this chapter.

20 (c) "Check" means any check, draft, money order,  
21 personal money order or other instrument, including, but not  
22 limited to, stored value cards, for the transmission or payment of  
23 money. The format of a check may be either paper, electronic,  
24 plastic or any combination thereof.

25 (d) "Personal money order" means any instrument for the  
26 transmission or payment of money in relation to which the  
27 purchaser or remitter appoints or purports to appoint the seller  
28 thereof as his agent for the receipt, transmission or handling of  
29 money, whether such instrument be signed by the seller or by the  
30 purchaser or remitter or some other person.



31 (e) "Sell" means to sell, to issue or to deliver a  
32 check.

33 (f) "Deliver" means to deliver a check to the first  
34 person who in payment for same makes or purports to make a  
35 remittance of or against the face amount thereof, whether or not  
36 the deliverer also charges a fee in addition to the face amount,  
37 and whether or not the deliverer signs the checks.

38 (g) "Commissioner" or "comptroller" means the  
39 Commissioner of Banking and Consumer Finance of the State of  
40 Mississippi.

41 (h) "Records" or "documents" means any item in hard  
42 copy or produced in a format of storage commonly described as  
43 electronic, imaged, magnetic, microphotographic or otherwise, and  
44 any reproduction so made shall have the same force and effect as  
45 the original thereof and be admitted in evidence equally with the  
46 original.

47 **SECTION 2.** Section 75-15-7, Mississippi Code of 1972, is  
48 amended as follows:

49 75-15-7. Nothing in this chapter shall apply to the sale or  
50 issuance or delivering of checks by:

51 (a) Banks, trust companies, and savings and loan  
52 associations, authorized to do business in this state; \* \* \*

53 (b) The government of the United States or any  
54 department or agent thereof; \* \* \*

55 (c) The State of Mississippi or any municipal  
56 corporation, county or other political subdivision of this state;

57 (d) Agents of a licensee, as provided for in Section  
58 75-15-17, provided that this exemption shall apply only to the  
59 agent's acts on behalf of the licensee and this exemption shall  
60 not exempt the agent from the provisions of this chapter where he  
61 issues his own checks for his own account;

62 (e) Attorneys at law, as to checks issued in the  
63 regular course of the practice of law; or



64           (f) Persons not carrying on the trade or business of  
65 selling, issuing or delivering checks, this exemption being  
66 intended to include persons who sell, issue or deliver checks only  
67 as an incidental act to another trade or business regularly  
68 carried on by them, and persons who only occasionally and  
69 infrequently sell, issue or deliver checks for another person.

70           **SECTION 3.** Section 75-15-19, Mississippi Code of 1972, is  
71 amended as follows:

72           75-15-19. (1) Each licensee shall file with the  
73 commissioner annually on or before April 15 of each year a  
74 statement listing:

75           (a) The locations, offices and agencies authorized by  
76 the licensee to act for and on behalf of the licensee in selling  
77 or issuing or dispensing checks. A supplemental statement setting  
78 forth any changes in the list of locations, offices and agencies  
79 shall be filed with the commissioner on or before the first day of  
80 July, October and January of each year and the principal sum of  
81 the corporate surety bond or deposit required under Section  
82 75-15-11 shall be adjusted, if appropriate, to reflect any  
83 increase or decrease in the number of locations, offices and  
84 agencies. The annual and supplemental statement shall not be  
85 required of any licensee who continues to maintain a corporate  
86 surety bond, as required by subsection (b) of Section  
87 75-15-11, \* \* \* in the principal sum of Two Hundred Fifty Thousand  
88 Dollars (\$250,000.00), or a securities deposit having an aggregate  
89 market value at least equal to Two Hundred Fifty Thousand Dollars  
90 (\$250,000.00).

91           (b) Each licensee shall file with the commissioner  
92 annually on or before April 15 of each year, statements correctly  
93 reflecting its net worth as of the close of its most recent fiscal  
94 year, the statement to be certified to by a certified public  
95 accountant satisfactory to the commissioner.



96           (2) The commissioner may conduct or cause to be conducted an  
97 examination or audit of the books and records of any licensee at  
98 any time or times he \* \* \* deems proper, the cost of the  
99 examination or audit to be borne by the licensee. The refusal of  
100 access to the books and records shall be cause for the revocation  
101 of its license. The commissioner may charge the licensee an  
102 examination fee in an amount not less than Three Hundred Dollars  
103 (\$300.00) nor more than Six Hundred Dollars (\$600.00) for each  
104 office or location within the State of Mississippi, plus any  
105 actual expenses incurred while examining the licensee's records or  
106 books that are located outside the State of Mississippi. However,  
107 in no event shall a licensee be examined more than once in a  
108 two-year period unless for cause shown based upon consumer  
109 complaint and/or other exigent reasons as determined by the  
110 commissioner.

111           (3) On or before July 1, 2007, the commissioner shall file  
112 with the Chairman of the Senate Business and Financial  
113 Institutions Committee and the Chairman of the House Banking  
114 Committee a report containing the total number of examinations or  
115 audits of licensees conducted by the department for each year, the  
116 total cost of such examinations, the number of examinations  
117 grouped by range of costs, and any other information the  
118 commissioner deems relevant to substantiate the examination fee  
119 authorized in this section.

120           (4) This section shall stand repealed from and after July 1,  
121 2007.

122           **SECTION 4.** This act shall take effect and be in force from  
123 and after its passage.

