

By: Representative Rogers (61st)

To: Banking and Financial Services; Military Affairs

HOUSE BILL NO. 1120

1 AN ACT TO AMEND SECTION 75-67-505, MISSISSIPPI CODE OF 1972,
2 TO PROHIBIT CHECK CASHING BUSINESSES FROM BEING LOCATED WITHIN 400
3 FEET OF ANY MILITARY BASE; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** Section 75-67-505, Mississippi Code of 1972, is
6 amended as follows:

7 75-67-505. (1) (a) A person may not engage in business as
8 a check casher or otherwise portray himself as a check casher
9 unless the person has a valid license authorizing engagement in
10 the business. A separate license is required for each place of
11 business under this article and each business must be independent
12 of, and not a part of, any other business operation. A check
13 cashing business shall not be a part of, or located at the same
14 business address with, a pawnshop, title pledge office and small
15 loan company. A check cashing business shall not be located
16 within four hundred (400) feet of any military base. Any check
17 cashing business that is located within four hundred (400) feet of
18 a military base on July 1, 2005, shall have until January 1, 2006,
19 to relocate in order to comply with this paragraph.

20 (b) A check cashing business shall (i) have a
21 definitive United States Postal address and E911 address; (ii)
22 comply with local zoning requirements; (iii) have a minimum of one
23 hundred (100) square feet with walls from floor to ceiling
24 separating the operation from any other businesses; (iv) have an
25 outside entrance, but may be located in an area that has a common
26 lobby shared by other businesses as long as the customers do not
27 enter the check cashing business through another business; (v)

28 have proper signage; and (vi) maintain separate books and records.
29 Any licensee who does not cash any delayed deposit checks as
30 authorized under Section 75-67-519 shall not be subject to the
31 requirements of subparagraphs (i), (iii) and (iv) of this
32 paragraph.

33 (c) A licensed check casher may sell, at the same
34 location as his check cashing business, the following items and
35 services: money orders; income tax preparation service; copy
36 service; wire transfer service; notary service; pagers; pager
37 service; prepaid cellular service; debit card; prepaid telephone
38 cards; prepaid telephone service; and operate a processing center
39 where utility bills, credit card payments and other payments are
40 collected from the general public and governmental and private
41 payments are distributed. If a licensee accepts wire transfers in
42 the form of a direct deposit of a payroll check or other similar
43 types of deposit, the licensee shall not encumber any transferred
44 funds against a deferred deposit agreement or any delinquent
45 deferred deposit agreement with the customer. The commissioner
46 may authorize additional functions in addition to those provided
47 in this subsection that may be performed as part of a check
48 cashing business.

49 (d) The commissioner may issue more than one (1)
50 license to a person if that person complies with this article for
51 each license. A new license or application to transfer an
52 existing license is required upon a change, directly or
53 beneficially, in the ownership of any licensed check casher
54 business and an application shall be made to the commissioner in
55 accordance with this article.

56 (2) When a licensee wishes to move a check casher business
57 to another location, the licensee shall give thirty (30) days'
58 prior written notice to the commissioner who shall amend the
59 license accordingly.

60 (3) Each license shall remain in full force and effect until
61 relinquished, suspended, revoked or expired. With each initial
62 application for a license, the applicant shall pay the
63 commissioner at the time of making the application a license fee
64 of Seven Hundred Fifty Dollars (\$750.00), and on or before
65 September 1 of each year thereafter, an annual renewal fee of Four
66 Hundred Seventy-five Dollars (\$475.00). If the annual renewal fee
67 remains unpaid twenty-nine (29) days after September 1, the
68 license shall thereupon expire, but not before the thirtieth day
69 of September of any year for which the annual fee has been paid.
70 If any licensee fails to pay the annual renewal fee before the
71 thirtieth day of September of any year for which the renewal fee
72 is due, then the licensee shall be liable for the full amount of
73 the license fee, plus a penalty in an amount not to exceed
74 Twenty-five Dollars (\$25.00) for each day that the licensee has
75 engaged in business after September 30. All licensing fees and
76 penalties shall be paid into the Consumer Finance Fund of the
77 Department of Banking and Consumer Finance.

78 (4) Notwithstanding other provisions of this article, the
79 commissioner may issue a temporary license authorizing the
80 operator of a check casher business on the receipt of an
81 application for a license involving principals and owners that are
82 substantially identical to those of an existing licensed check
83 casher. The temporary license is effective until the permanent
84 license is issued or denied.

85 (5) Notwithstanding other provisions of this article,
86 neither a new license nor an application to transfer an existing
87 license shall be required upon any change, directly or
88 beneficially, in the ownership of any licensed check casher
89 business incorporated under the laws of this state or any other
90 state as long as the licensee continues to operate as a
91 corporation doing a check casher business under the license.
92 However, the commissioner may require the licensee to provide such

93 information as he deems reasonable and appropriate concerning the
94 officers and directors of the corporation and persons owning in
95 excess of twenty-five percent (25%) of the outstanding shares of
96 the corporation.

97 **SECTION 2.** This act shall take effect and be in force from
98 and after July 1, 2005.