

By: Representative Guice

To: Banking and Financial Services

HOUSE BILL NO. 1266

1 AN ACT TO AMEND SECTION 75-67-505, MISSISSIPPI CODE OF 1972,
2 TO DELETE THE PROVISIONS IN THE CHECK CASHERS ACT THAT REQUIRE A
3 NEW LICENSE TO BE OBTAINED UPON THE CHANGE OF OWNERSHIP OF A CHECK
4 CASHING BUSINESS; AND FOR RELATED PURPOSES.

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

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

8 75-67-505. (1) (a) A person may not engage in business as
9 a check casher or otherwise portray himself as a check casher
10 unless the person has a valid license authorizing engagement in
11 the business. A separate license is required for each place of
12 business under this article and each business must be independent
13 of, and not a part of, any other business operation. A check
14 cashing business shall not be a part of, or located at the same
15 business address with, a pawnshop, title pledge office and small
16 loan company.

17 (b) A check cashing business shall (i) have a
18 definitive United States Postal address and E911 address; (ii)
19 comply with local zoning requirements; (iii) have a minimum of one
20 hundred (100) square feet with walls from floor to ceiling
21 separating the operation from any other businesses; (iv) have an
22 outside entrance, but may be located in an area that has a common
23 lobby shared by other businesses as long as the customers do not
24 enter the check cashing business through another business; (v)
25 have proper signage; and (vi) maintain separate books and records.
26 Any licensee who does not cash any delayed deposit checks as
27 authorized under Section 75-67-519 shall not be subject to the

28 requirements of subparagraphs (i), (iii) and (iv) of this
29 paragraph.

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

46 (d) The commissioner may issue more than one (1)
47 license to a person if that person complies with this article for
48 each license. * * *

49 (2) When a licensee wishes to move a check casher business
50 to another location, the licensee shall give thirty (30) days'
51 prior written notice to the commissioner who shall amend the
52 license accordingly.

53 (3) Each license shall remain in full force and effect until
54 relinquished, suspended, revoked or expired. With each initial
55 application for a license, the applicant shall pay the
56 commissioner at the time of making the application a license fee
57 of Seven Hundred Fifty Dollars (\$750.00), and on or before
58 September 1 of each year thereafter, an annual renewal fee of Four
59 Hundred Seventy-five Dollars (\$475.00). If the annual renewal fee
60 remains unpaid twenty-nine (29) days after September 1, the

61 license shall thereupon expire, but not before the thirtieth day
62 of September of any year for which the annual fee has been paid.
63 If any licensee fails to pay the annual renewal fee before the
64 thirtieth day of September of any year for which the renewal fee
65 is due, then the licensee shall be liable for the full amount of
66 the license fee, plus a penalty in an amount not to exceed
67 Twenty-five Dollars (\$25.00) for each day that the licensee has
68 engaged in business after September 30. All licensing fees and
69 penalties shall be paid into the Consumer Finance Fund of the
70 Department of Banking and Consumer Finance.

71 (4) Notwithstanding other provisions of this article, the
72 commissioner may issue a temporary license authorizing the
73 operator of a check casher business on the receipt of an
74 application for a license involving principals and owners that are
75 substantially identical to those of an existing licensed check
76 casher. The temporary license is effective until the permanent
77 license is issued or denied.

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79 **SECTION 2.** This act shall take effect and be in force from
80 and after its passage.