

By: Representatives Dortch, Bell (65th)

To: Ways and Means

HOUSE BILL NO. 1354

1 AN ACT TO CREATE THE STATE EMPLOYEE LOAN PROGRAM TO BE  
 2 ADMINISTERED BY THE DEPARTMENT OF FINANCE AND ADMINISTRATION; TO  
 3 PROVIDE THAT A LOAN APPLICANT MAY RECEIVE NO MORE THAN TWO LOANS  
 4 PER YEAR; TO PROVIDE THAT THE LOAN SHALL BE IN AN AMOUNT THAT IS  
 5 NO MORE THAN SIX HUNDRED DOLLARS, AND MAY BE MADE IN ONE HUNDRED  
 6 DOLLAR INCREMENTS; TO PROVIDE THAT THE LOAN SHALL BE REPAID OVER A  
 7 THREE-MONTH TERM; TO REQUIRE AN APPLICANT TO COMPLETE AN ONLINE  
 8 FINANCIAL LITERACY COURSE WITHIN THREE MONTHS AFTER RECEIVING HIS  
 9 OR HER FIRST LOAN; TO REQUIRE THAT TO BE ELIGIBLE FOR A LOAN, AN  
 10 APPLICANT MUST BE AN ACTIVE, FULL-TIME EMPLOYEE WHO HAS A MINIMUM  
 11 OF TWELVE CONSECUTIVE MONTHS OF EMPLOYMENT WITH THE STATE OF  
 12 MISSISSIPPI; TO PROVIDE FOR A PROCESSING FEE THAT IS CHARGED FOR  
 13 EACH LOAN; TO PROVIDE A PENALTY FOR A RECIPIENT WHO DEFAULTS ON  
 14 REPAYMENT OF HIS OR HER LOAN; TO AUTHORIZE THE DEPARTMENT TO MAKE  
 15 MONTHLY WITHHOLDINGS FROM THE RECIPIENT'S PAYCHECK UNTIL THE LOAN  
 16 IS REPAID; AND FOR RELATED PURPOSES.

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

18 **SECTION 1.** (1) There is established a state employee loan  
 19 program to be administered by the Department of Finance and  
 20 Administration for the purpose of providing short-term financial  
 21 assistance to state employees.

22 (2) The following provisions are applicable to loans made  
 23 under the program:

24 (a) The applicant may receive a maximum of two (2)  
 25 loans per year;



26 (b) The loan shall be in an amount that is no more than  
27 Six Hundred Dollars (\$600.00), and may be made in One Hundred  
28 Dollar (\$100.00) increments;

29 (c) The loan may be repaid over a three-month term, or  
30 before the expiration of the three-month term; and

31 (d) The applicant must complete an online financial  
32 literacy course within three (3) months after receiving his or her  
33 first loan under the program. The department shall develop and  
34 implement such course and make it available to loan applicants on  
35 the department's website.

36 (3) To be eligible for a loan authorized under this act, an  
37 applicant must:

38 (a) Be a full-time, active employee of the State of  
39 Mississippi; and

40 (b) Have a minimum of twelve (12) consecutive months of  
41 employment with the State of Mississippi.

42 (4) A processing fee of five percent (5%) per loan will be  
43 included in the repayment amount of each loan.

44 (5) If a loan recipient defaults on his or her loan  
45 repayment, the recipient shall be liable for a penalty of one  
46 percent (1%) of the unpaid amount for each month until the loan is  
47 repaid. The department shall withhold no more than twenty-five  
48 percent (25%) of the paycheck of the recipient each month until  
49 the full amount of the loan and the penalty is repaid.



50           (6) The Department of Finance and Administration may adopt  
51 such rules and regulations as necessary to administer this act.

52           **SECTION 2.** This act shall take effect and be in force from  
53 and after July 1, 2019.

