

By: Representatives Zuber, Aguirre

To: Banking and Financial  
Services

HOUSE BILL NO. 1075

1 AN ACT TO REENACT SECTIONS 75-67-601 THROUGH 75-67-637,  
2 MISSISSIPPI CODE OF 1972, WHICH ARE THE MISSISSIPPI CREDIT  
3 AVAILABILITY ACT; TO REENACT SECTION 75-67-403, MISSISSIPPI CODE  
4 OF 1972, WHICH DEFINES CERTAIN TERMS USED UNDER THE MISSISSIPPI  
5 TITLE PLEDGE ACT; TO REENACT SECTION 75-67-505, MISSISSIPPI CODE  
6 OF 1972, WHICH ESTABLISHES LICENSING REQUIREMENTS FOR CHECK  
7 CASHERS UNDER THE MISSISSIPPI CHECK CASHERS ACT; TO AMEND SECTION  
8 75-67-639, MISSISSIPPI CODE OF 1972, TO EXTEND THE DATE OF THE  
9 REPEALER ON THE MISSISSIPPI CREDIT AVAILABILITY ACT TO 2026; TO  
10 REMOVE THE REPEALER ON THOSE REENACTED SECTIONS UNDER THE  
11 MISSISSIPPI TITLE PLEDGE ACT AND THE MISSISSIPPI CHECK CASHERS  
12 ACT; AND FOR RELATED PURPOSES.

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

14 **SECTION 1.** Section 75-67-601, Mississippi Code of 1972, is  
15 reenacted as follows:

16 75-67-601. This article shall be known and may be cited as  
17 the "Mississippi Credit Availability Act."

18 **SECTION 2.** Section 75-67-603, Mississippi Code of 1972, is  
19 reenacted as follows:

20 75-67-603. The following words and phrases used in this  
21 article shall have the following meanings unless the context  
22 clearly indicates otherwise:



23 (a) "Appropriate law enforcement agency" means the  
24 sheriff of each county in which the licensee maintains an office,  
25 or the police chief of the municipality in which the licensee  
26 maintains an office, or law enforcement officers of the Department  
27 of Public Safety.

28 (b) "Attorney General" means the Attorney General of  
29 the State of Mississippi.

30 (c) "Commissioner" means the Mississippi Commissioner  
31 of Banking and Consumer Finance, or his designee, as the  
32 designated official for the purpose of enforcing this article.

33 (d) "Credit availability account" means all credit  
34 availability transactions held in the name of a single person  
35 through a single licensee or, if a secured transaction and the  
36 property is jointly owned, the names of the persons who jointly  
37 own the property that is being used as security for the  
38 transaction. That person or those persons shall be the "account  
39 holder" or "account holders."

40 (e) "Credit availability transaction" means a  
41 transaction whereby a credit availability licensee provides a  
42 consumer with a fully amortized loan, secured or unsecured,  
43 payable in substantially equal payments due monthly, or on any  
44 other schedule mutually agreed upon by the licensee and the  
45 consumer, over an overall term of four (4) to twelve (12) months,  
46 calculated on the amount initially disbursed to the account holder



47 or holders plus any fees that may be charged in an amount and  
48 manner provided for under this article.

49 (f) "Department" means the Department of Banking and  
50 Consumer Finance.

51 (g) "Licensee" means any individual, partnership,  
52 association or corporation duly licensed by the Department of  
53 Banking and Consumer Finance to engage in the business of  
54 providing credit availability transactions under this article.

55 (h) "Month" means the calendar month beginning on and  
56 including the date of the credit availability transaction.

57 (i) "Person" means an individual, partnership,  
58 corporation, joint venture, trust, association or any legal  
59 entity, however organized.

60 (j) "Written" and "writing" includes communication of  
61 information in an electronic record consistent with the federal  
62 Electronic Signatures in Global and National Commerce (E-SIGN)  
63 Act, 15 USC Section 7001 et seq.

64 **SECTION 3.** Section 75-67-605, Mississippi Code of 1972, is  
65 reenacted as follows:

66 75-67-605. (1) A person may not engage in business as a  
67 credit availability licensee or otherwise portray himself as a  
68 credit availability licensee unless the person has a valid license  
69 authorizing him to engage in the business. Any transaction that  
70 would be subject to this article that is made by a person who does



71 not have a valid license under this article shall be null and  
72 void.

73 (2) A credit availability licensee shall (a) have a  
74 definitive United States postal address and E911 address; and (b)  
75 comply with applicable local zoning requirements, except as  
76 otherwise provided in this article; and (c) maintain separate  
77 books and records for credit availability transactions.

78 (3) (a) The commissioner may issue more than one (1)  
79 license to a person if that person complies with this article for  
80 each license. A new license is required upon a change, directly  
81 or beneficially, in the ownership of any licensed credit  
82 availability business and an application shall be made to the  
83 commissioner in accordance with this article.

84 (b) When a licensee wishes to move a credit  
85 availability business to another physical location, the licensee  
86 shall give thirty (30) days' prior written notice to the  
87 commissioner who shall amend the license accordingly.

88 (c) Each license shall remain in full force and effect  
89 until relinquished, suspended, revoked or expired. With each  
90 initial application for a license, the applicant shall pay the  
91 commissioner at the time of making the application a license fee  
92 of Seven Hundred Fifty Dollars (\$750.00), and on or before  
93 September 1 of each year thereafter, an annual renewal fee of Four  
94 Hundred Seventy-five Dollars (\$475.00). If the annual renewal fee  
95 remains unpaid twenty-nine (29) days after September 1, the



96 license shall thereupon expire, but not before the thirtieth day  
97 of September of any year for which the annual fee has been paid.  
98 If any licensee fails to pay the annual renewal fee before the  
99 thirtieth day of September of any year for which the renewal fee  
100 is due, then the licensee shall be liable for the full amount of  
101 the license fee, plus a penalty in an amount not to exceed  
102 Twenty-five Dollars (\$25.00) for each day that the licensee has  
103 engaged in business after September 30. All licensing fees and  
104 penalties shall be paid into the Consumer Finance Fund of the  
105 Department of Banking and Consumer Finance.

106 (4) Notwithstanding any other provisions of this article,  
107 the commissioner may issue a temporary license authorizing the  
108 operation of a credit availability business on the receipt of an  
109 application for a license involving principals and owners that are  
110 substantially identical to those of an existing licensed credit  
111 availability licensee. The temporary license is effective until  
112 the permanent license is issued or denied.

113 (5) Notwithstanding other provisions of this article,  
114 neither a new license nor an application to transfer an existing  
115 license shall be required upon any change, directly or  
116 beneficially, in the ownership of any licensed business  
117 incorporated under the laws of this state or any other state so  
118 long as the licensee continues to operate as a corporation doing a  
119 credit availability business under the license.



120 (6) Persons licensed under Sections 75-67-401 et seq. and  
121 75-67-501 et seq. on July 1, 2016, shall have until September 30,  
122 2016, to apply for an expedited license approval under this  
123 article. The commissioner, in his discretion, may waive certain  
124 documentation already on file under those licenses, including  
125 fingerprints, and may promulgate an application that expedites the  
126 licensing process. Upon the approval of the application, the  
127 commissioner shall grant a license under this article.

128 **SECTION 4.** Section 75-67-607, Mississippi Code of 1972, is  
129 reenacted as follows:

130 75-67-607. The provisions of this article shall not apply to  
131 any bank, trust company, savings association, savings and loan  
132 association, savings bank or credit union that is chartered under  
133 the laws of this state or under federal law and domiciled in this  
134 state.

135 **SECTION 5.** Section 75-67-609, Mississippi Code of 1972, is  
136 reenacted as follows:

137 75-67-609. To be eligible for a credit availability license,  
138 an applicant shall:

139 (a) Operate lawfully and fairly within the purposes of  
140 this article.

141 (b) Not have been convicted in the last ten (10) years  
142 or be active as a beneficial owner for someone who has been  
143 convicted in the last ten (10) years of a crime that the  
144 commissioner finds directly relates to the duties and



145 responsibilities of the business of offering credit availability  
146 transactions.

147 (c) File with the commissioner a bond with good  
148 security in the penal sum of Ten Thousand Dollars (\$10,000.00),  
149 payable to the State of Mississippi, for the faithful performance  
150 by the licensee of the duties and obligations pertaining to the  
151 business so licensed and the prompt payment of any judgment which  
152 may be recovered against the licensee on account of charges or  
153 other claims arising directly or collectively from any violation  
154 of the provisions of this article. The bond shall not be valid  
155 until the commissioner approves it. The applicant may file, in  
156 lieu of the bond, cash, a certificate of deposit or government  
157 bonds in the amount of Ten Thousand Dollars (\$10,000.00). Those  
158 deposits shall be filed with the commissioner and are subject to  
159 the same terms and conditions as are provided for in the surety  
160 bond required in this paragraph. Any interest or earnings on  
161 those deposits are payable to the depositor. Applicants applying  
162 for multiple licenses may submit a single bond for all licenses,  
163 provided that the total value of the bond is equal to Ten Thousand  
164 Dollars (\$10,000.00) per license applied for.

165 (d) File with the commissioner an application for a  
166 license and the initial license fee required in this article. If  
167 applicant's application is approved, a credit availability license  
168 will be issued within thirty (30) days.



169 (e) File with the commissioner a set of fingerprints  
170 from any local law enforcement agency for each owner of a sole  
171 proprietorship, partners in a partnership or principal owners of a  
172 limited liability company that own at least ten percent (10%) of  
173 the voting shares of the company, shareholders owning ten percent  
174 (10%) or more of the outstanding shares of the corporation, except  
175 publically traded corporations and their subsidiaries, and any  
176 other executive officer with significant oversight duties of the  
177 business. In order to determine the applicant's suitability for  
178 license, the commissioner shall forward the fingerprints to the  
179 Department of Public Safety; and if no disqualifying record is  
180 identified at the state level, the Department of Public Safety  
181 shall forward the fingerprints to the FBI for a national criminal  
182 history record check.

183 (f) Complete and file with the commissioner an annual  
184 renewal application for a license accompanied by the renewal fee  
185 required in this article.

186 **SECTION 6.** Section 75-67-611, Mississippi Code of 1972, is  
187 reenacted as follows:

188 75-67-611. Each application for a license shall be in a form  
189 prescribed by the commissioner, signed under oath or otherwise  
190 authenticated in a record, and shall include the following:

191 (a) The legal name, residence and business address of  
192 the applicant and, if the applicant is a partnership, association  
193 or corporation, of every member, officer and director thereof.





194 However, the application need not state the full name and address  
195 of each shareholder, if the applicant is owned directly or  
196 beneficially by a person which as an issuer has a class of  
197 securities registered under Section 12 of the Securities and  
198 Exchange Act of 1934 or is an issuer of securities which is  
199 required to file reports with the Securities and Exchange  
200 Commission under Section 15(d) of the Securities and Exchange Act,  
201 provided that the person files with the commissioner such  
202 information, documents and reports as are required by the  
203 provisions of the Securities and Exchange Act to be filed by the  
204 issuer with the Securities and Exchange Commission. The  
205 commissioner may, however, require the licensee to provide such  
206 information as he deems reasonable and appropriate concerning the  
207 officers and directors of the corporation and persons owning in  
208 excess of twenty-five percent (25%) of the outstanding shares of  
209 the corporation.

210 (b) The complete address of the location at which the  
211 applicant proposes to engage in the business of offering credit  
212 availability transactions.

213 (c) Other data and information the department may  
214 require with respect to the applicant, its directors, trustees,  
215 officers, members or agents.

216 (d) Sworn financial statements of the applicant showing  
217 a net worth of at least Twenty Thousand Dollars (\$20,000.00) for  
218 the first license. The applicant shall possess and maintain a net



219 worth of at least Twenty Thousand Dollars (\$20,000.00) for the  
220 first license and at least Five Thousand Dollars (\$5,000.00) for  
221 each additional license.

222         **SECTION 7.** Section 75-67-613, Mississippi Code of 1972, is  
223 reenacted as follows:

224         75-67-613. (1) Upon filing of an application in a form  
225 prescribed by the commissioner, accompanied by the documents  
226 required in this article, the department shall investigate to  
227 ascertain whether the qualifications prescribed in this article  
228 have been satisfied. If the commissioner finds that the  
229 qualifications have been satisfied and, if he approves the  
230 documents so filed by the applicant, he shall issue to the  
231 applicant a license to engage in the credit availability business  
232 in this state.

233         (2) The license shall be kept conspicuously posted in the  
234 place of business of the licensee.

235         **SECTION 8.** Section 75-67-615, Mississippi Code of 1972, is  
236 reenacted as follows:

237         75-67-615. (1) The department may adopt reasonable  
238 administrative regulations, not inconsistent with law, for the  
239 enforcement of this article and shall develop and provide any  
240 necessary forms or other documentation to carry out the provisions  
241 of this article.

242         (2) To assure compliance with the provisions of this  
243 article, the department may examine the books and records of any



244 licensee without notice during normal business hours. The  
245 commissioner may charge the licensee an examination fee in an  
246 amount not less than Three Hundred Dollars (\$300.00) nor more than  
247 Six Hundred Dollars (\$600.00) for each office or location within  
248 the State of Mississippi plus any actual expenses incurred while  
249 examining the licensee's records or books that are located outside  
250 the State of Mississippi. However, in no event shall a licensee  
251 be examined more than once in a two-year period unless for cause  
252 shown based upon a consumer complaint and/or other exigent reasons  
253 as determined by the commissioner.

254 (3) Each licensee shall keep and use in its business any  
255 books, accounts and records the department may require to carry  
256 into effect the provisions of this article and the administrative  
257 regulations issued under this article. Every licensee shall  
258 preserve the books, accounts and records of its business for at  
259 least two (2) years.

260 **SECTION 9.** Section 75-67-617, Mississippi Code of 1972, is  
261 reenacted as follows:

262 75-67-617. A licensee shall not advertise, display or  
263 publish, or permit to be advertised, displayed or published, in  
264 any manner whatsoever, any statement or representation that is  
265 false, misleading or deceptive.

266 **SECTION 10.** Section 75-67-619, Mississippi Code of 1972, is  
267 reenacted as follows:



268           75-67-619. (1) Notwithstanding any other statutory  
269 limitation, a licensee authorized to provide credit availability  
270 transactions under this article may charge and collect fees and  
271 charges in a manner consistent with this section, and may take as  
272 security therefor any personal property that is not exempt or  
273 prohibited by state or federal law or regulations.

274           (2) (a) A licensee may charge and collect a monthly  
275 handling fee for services, expenses, and costs not to exceed  
276 twenty-five percent (25%) of the outstanding principal balance of  
277 any credit availability account per month, or any portion thereof,  
278 for transactions of Five Hundred Dollars (\$500.00) or less. The  
279 handling fee shall not be deemed interest for any purpose of law.

280           (b) A licensee may charge and collect a monthly  
281 handling fee for services, expenses, and costs not to exceed  
282 twenty-five percent (25%) of the outstanding principal balance of  
283 any credit availability account per month, or portion thereof, for  
284 transactions in excess of Five Hundred Dollars (\$500.00). The  
285 handling fee shall not be deemed interest for any purpose of law.

286           (c) (i) In addition to the charges authorized under  
287 this subsection (2), a licensee may also charge and collect an  
288 origination fee in the amount of one percent (1%) of the amount  
289 disbursed to the account holder or Five Dollars (\$5.00), whichever  
290 is greater, for costs associated with providing a credit  
291 availability transaction.



292 (ii) The origination fee shall not be deemed  
293 interest for any purpose of law.

294 (3) (a) No credit availability account created under  
295 subsection (2) (a) of this section shall have an outstanding  
296 principal balance in excess of Five Hundred Dollars (\$500.00) at  
297 any time.

298 (b) No credit availability account created under  
299 subsection (2) (b) of this section shall have an outstanding  
300 principal balance in excess of Two Thousand Five Hundred Dollars  
301 (\$2,500.00) at any time.

302 (4) (a) Any credit availability account created under  
303 subsection (2) (a) of this section shall be a fully amortized loan,  
304 secured or unsecured, payable in equal payments of four (4) to six  
305 (6) months calculated on the amount initially disbursed to the  
306 account holder plus any fees that may be charged, in an amount and  
307 manner provided for under this article.

308 (b) Any credit availability account created under  
309 subsection (2) (b) of this section shall be a fully amortized loan,  
310 secured or unsecured, payable in equal payments of six (6) to  
311 twelve (12) months calculated on the amount initially disbursed to  
312 the account holder plus any fees that may be charged, in an amount  
313 and manner provided for under this article.

314 (5) In the event an account holder is delinquent in payment  
315 of a monthly payment under the terms of a credit availability  
316 agreement, the licensee may charge and collect from the account



317 holder a late fee of ten percent (10%) of the past-due amount;  
318 provided, however, that no such late fee may be charged unless an  
319 account holder has failed to pay the past-due amount within ten  
320 (10) business days after the due date and provided that such fees  
321 are clearly disclosed in the credit availability agreement.

322 (6) In the event an account holder is in default under the  
323 terms of a credit availability agreement for more than sixty (60)  
324 days, the licensee may charge and collect from the account holder  
325 the following fees in connection with any such default, provided  
326 that such fees are clearly disclosed in the credit availability  
327 agreement:

328 (a) If the licensee is required to employ a third  
329 party, including an attorney, to collect on the account the  
330 licensee may:

331 (i) If the credit availability agreement so  
332 provides, charge and collect a reasonable collection fee and  
333 attorney's fee; and

334 (ii) If the credit availability agreement so  
335 provides, shall be entitled to recover from the account holder all  
336 court costs incurred and to recover any court-awarded damages,  
337 including those incurred on appeal.

338 (b) If applicable, the licensee may charge and collect  
339 from the account holder any fees and costs relating to the  
340 repossession and sale of collateral, including, but not limited



341 to, fees and costs associated with the repossession, storage,  
342 preparation for sale and sale of collateral.

343 **SECTION 11.** Section 75-67-621, Mississippi Code of 1972, is  
344 reenacted as follows:

345 75-67-621. (1) A licensee shall provide each prospective  
346 account holder, before consummation of a credit availability  
347 transaction, a written explanation of the fees, and charges to be  
348 charged by the licensee and the due dates for all payments. The  
349 style, content, and method of executing the required written  
350 explanation shall comply with federal truth-in-lending laws and  
351 shall contain a statement that the account holder may prepay the  
352 unpaid balance, in whole or in part, at any time. The  
353 commissioner may promulgate rules in accordance with this article  
354 in order to assure complete and accurate disclosure of the fees  
355 and charges to be charged by a licensee under a credit  
356 availability agreement. At a minimum, the written explanation  
357 must include:

- 358 (a) The amount of the transaction;  
359 (b) The date the agreement was entered into;  
360 (c) A schedule or description of the payments;  
361 (d) The name and address of the licensed office;  
362 (e) The name of the person primarily obligated on the  
363 agreement;  
364 (f) The amount of the principal;



365 (g) The agreed rate of charge stated on a percent per  
366 year basis and the amount in dollars and cents;

367 (h) All other disclosures required pursuant to state  
368 and federal law.

369 (2) The contract for any credit availability agreement shall  
370 include, along with other state or federal law requirements, the  
371 right for an account holder to rescind the transaction within one  
372 (1) business day; provided, however, that if the account holder  
373 accepts funds from the credit availability licensee prior to the  
374 expiration of the one-day rescission period, any origination fee  
375 charged shall be nonrefundable.

376 (3) A licensee with a physical location in this state shall  
377 display in its consumer waiting area, and shall provide a copy to  
378 any account holder that requests it, a pamphlet prepared by the  
379 department that describes general information about the  
380 transaction and about the account holder's rights and  
381 responsibilities in the transaction, including the rates and fees  
382 charged by the licensee, the licensee's rights in event of default  
383 by the consumer, the maximum allowable account balance, and the  
384 consumer hotline telephone number to the Mississippi Department of  
385 Banking and Consumer Finance. The licensee shall add the account  
386 information and/or complaint hotline telephone number of the  
387 licensee to the pamphlet. A licensee without a physical location  
388 in this state shall make the information available on its website.





389           **SECTION 12.** Section 75-67-623, Mississippi Code of 1972, is  
390 reenacted as follows:

391           75-67-623. (1) The commissioner may, after notice and  
392 hearing, suspend or revoke a license if he finds that:

393                   (a) The licensee, either knowingly, or without the  
394 exercise of due care to prevent the same, has violated any  
395 provision of this article;

396                   (b) Any fact or condition exists which, if it had  
397 existed or had been known to exist at the time of the original  
398 application for the license, clearly would have justified the  
399 commissioner in refusing the license;

400                   (c) The licensee has aided, abetted or conspired with  
401 an individual or person to circumvent or violate the requirement  
402 of this article;

403                   (d) The licensee, or a legal or beneficial owner of the  
404 license, has been convicted of a crime that the commissioner finds  
405 directly relates to the duties and responsibilities of the  
406 business of offering credit availability transactions.

407           (2) The commissioner may conditionally license or place on  
408 probation a person whose license has been suspended or may  
409 reprimand a licensee for a violation of this article.

410           (3) The manner of giving notice and conducting a hearing as  
411 required by subsection (1) of this section shall be performed in  
412 accordance with procedures prescribed by the commissioner in rules



413 or regulations adopted under the Mississippi Administrative  
414 Procedures Law, Section 25-43-1 et seq.

415 (4) Any licensee may surrender any license by delivering it  
416 to the commissioner with written notice of its surrender, but that  
417 surrender shall not affect the licensee's civil or criminal  
418 liability for acts committed prior thereto.

419 (5) The commissioner may reinstate suspended licenses or  
420 issue new licenses to a person whose licenses have been revoked if  
421 no fact or condition then exists which clearly would have  
422 justified the commissioner in refusing originally to issue a  
423 license under this article.

424 (6) The appropriate local law enforcement agency shall be  
425 notified of any licensee who has his license suspended or revoked  
426 as provided by this article.

427 (7) The commissioner shall enforce the provisions of this  
428 section.

429 (8) No revocation, suspension or surrender of any license  
430 shall impair or affect the obligation of any pre-existing lawful  
431 contract between the licensee and any debtor.

432 **SECTION 13.** Section 75-67-625, Mississippi Code of 1972, is  
433 reenacted as follows:

434 75-67-625. The commissioner, or his duly authorized  
435 representative, for the purpose of discovering violations of this  
436 article and for the purpose of determining whether persons are  
437 subject to the provisions of this article, may examine persons



438 licensed under this article and persons reasonably suspected by  
439 the commissioner of conducting business which requires a license  
440 under this article, including all relevant books, records and  
441 papers employed by those persons in the transaction of their  
442 business, and may summon witnesses and examine them under oath  
443 concerning matters relating to the business of those persons, or  
444 such other matters as may be relevant to the discovery of  
445 violations of this article, including without limitation the  
446 conduct of business without a license as required under this  
447 article.

448       **SECTION 14.** Section 75-67-627, Mississippi Code of 1972, is  
449 reenacted as follows:

450       75-67-627. (1) Any person who engages in the business of  
451 offering credit availability transactions without first securing a  
452 license prescribed by this article shall be guilty of a  
453 misdemeanor and upon conviction thereof, shall be punishable by a  
454 fine not to exceed One Thousand Dollars (\$1,000.00) or by  
455 confinement in the county jail for not more than one (1) year, or  
456 both.

457       (2) Any person who engages in the business of offering  
458 credit availability transactions without first securing a license  
459 prescribed by this article shall be liable for the full amount of  
460 the license fee, plus a penalty in an amount not to exceed  
461 Twenty-five Dollars (\$25.00) for each day that the person engaged  
462 in the business without a license. All licensing fees and



463 penalties shall be paid into the Consumer Finance Fund of the  
464 Department of Banking and Consumer Finance.

465         **SECTION 15.** Section 75-67-629, Mississippi Code of 1972, is  
466 reenacted as follows:

467         75-67-629. (1) In addition to any other penalty which may  
468 be applicable, any licensee or employee who willfully violates any  
469 provision of this article, or who willfully makes a false entry in  
470 any record specifically required by this article, shall be guilty  
471 of a misdemeanor and upon conviction thereof, shall be punishable  
472 by a fine not to exceed One Thousand Dollars (\$1,000.00) per  
473 violation or false entry.

474         (2) Compliance with criminal provisions of this article  
475 shall be enforced by the appropriate law enforcement agency, which  
476 may exercise for that purpose any authority conferred upon the  
477 agency by law.

478         (3) When the commissioner has reasonable cause to believe  
479 that a person is violating any provision of this article, the  
480 commissioner, in addition to and without prejudice to the  
481 authority provided elsewhere in this article, may enter an order  
482 requiring the person to stop or to refrain from the violation.  
483 The commissioner may sue in any circuit court of the state having  
484 jurisdiction and venue to enjoin the person from engaging in or  
485 continuing the violation or from doing any action in furtherance  
486 of the violation. In such an action, the court may enter an order  
487 or judgment awarding a preliminary or permanent injunction.



488 (4) The commissioner may impose a civil penalty against any  
489 licensee adjudged by the commissioner to be in violation of the  
490 provisions of this article. The civil penalty shall not exceed  
491 Five Hundred Dollars (\$500.00) per violation and shall be  
492 deposited into the Department of Banking and Consumer Finance,  
493 "Consumer Finance Fund."

494 (5) Any licensee convicted in the manner provided in this  
495 article shall forfeit the surety bond or deposit required in this  
496 article and the amount of the bond or deposit shall be credited to  
497 the budget of the state or local agency which directly  
498 participated in the prosecution of the licensee, for the specific  
499 purpose of increasing law enforcement resources for that specific  
500 state or local agency. The bond or deposit shall be used to  
501 augment existing state and local law enforcement budgets and not  
502 to supplant them.

503 **SECTION 16.** Section 75-67-631, Mississippi Code of 1972, is  
504 reenacted as follows:

505 75-67-631. The provisions of this article are severable. If  
506 any part of this article is declared invalid or unconstitutional,  
507 that declaration shall not affect the parts that remain.

508 **SECTION 17.** Section 75-67-633, Mississippi Code of 1972, is  
509 reenacted as follows:

510 75-67-633. (1) Municipalities of this state may enact  
511 ordinances that are in compliance with, but not more restrictive  
512 than, the provisions of this article. Any existing or future



513 order, ordinance or regulation that conflicts with this provision  
514 shall be null and void.

515 (2) Notwithstanding any existing zoning ordinance, any  
516 person or entity conducting business under a valid license issued  
517 by the department pursuant to Section 75-67-401 et seq. or Section  
518 75-67-501 et seq., as of July 1, 2016, that elects to secure a  
519 license under this article may not be restricted from continuing  
520 operations under this article in the same location, regardless of  
521 whether the licensee elects to continue, if permitted by law, or  
522 to terminate its previous license.

523 **SECTION 18.** Section 75-67-635, Mississippi Code of 1972, is  
524 reenacted as follows:

525 75-67-635. The commissioner may employ the necessary  
526 full-time employees above the number of permanent full-time  
527 employees authorized for the department for fiscal year 2016 to  
528 carry out and enforce the provisions of this article. The  
529 commissioner may also expend the necessary funds to equip and  
530 provide necessary travel expenses for those employees.

531 **SECTION 19.** Section 75-67-637, Mississippi Code of 1972, is  
532 reenacted as follows:

533 75-67-637. (1) A licensee under this article shall have no  
534 liability for any act or practice done or omitted in conformity  
535 with (a) any rule or regulation of the commissioner, or (b) any  
536 rule, regulation, interpretation or approval of any other state or  
537 federal agency or any opinion of the Attorney General,



538 notwithstanding that after such act or omission has occurred the  
539 rule, regulation, interpretation, approval or opinion is amended,  
540 rescinded, or determined by judicial or other authority to be  
541 invalid for any reason.

542 (2) A licensee under this article, acting in conformity with  
543 a written interpretation or approval by an official or employee of  
544 any state or federal agency or department, shall be presumed to  
545 have acted in accordance with applicable law, notwithstanding that  
546 after such act has occurred, the interpretation or approval is  
547 amended, rescinded, or determined by judicial or other authority  
548 to be incorrect or invalid for any reason.

549 **SECTION 20.** Section 75-67-403, Mississippi Code of 1972, is  
550 reenacted as follows:

551 75-67-403. The following words and phrases shall have the  
552 following meanings:

553 (a) "Appropriate law enforcement agency" means the  
554 sheriff of each county in which the title pledge lender maintains  
555 an office, or the police chief of the municipality or law  
556 enforcement officers of the Department of Public Safety in which  
557 the title pledge lender maintains an office.

558 (b) "Attorney General" means the Attorney General of  
559 the State of Mississippi.

560 (c) "Commissioner" means the Commissioner of Banking  
561 and Consumer Finance of the State of Mississippi, or his designee,



562 as the designated official for the purpose of enforcing this  
563 article.

564 (d) "Identification" means a government issued  
565 photographic identification.

566 (e) "Person" means an individual, partnership,  
567 corporation, joint venture, trust, association or other legal  
568 entity.

569 (f) "Pledged property" means any personal property  
570 certificate of title that is deposited with a title pledge lender  
571 in the course of the title pledge lender's business and is the  
572 subject of a title pledge agreement.

573 (g) "Pledgor" means the person to whom the property is  
574 titled.

575 (h) "Title pledge agreement" means a thirty-day written  
576 agreement whereby a title pledge lender agrees to make a loan of  
577 money to a pledgor, and the pledgor agrees to give the title  
578 pledge lender a security interest in unencumbered titled personal  
579 property owned by the pledgor. The pledgor shall agree that the  
580 title pledge lender keep possession of the certificate of title.  
581 The pledgor shall have the exclusive right to redeem the  
582 certificate of title by repaying the loan of money in full and by  
583 complying with the title pledge agreement. When the certificate  
584 of title is redeemed, the title pledge lender shall release the  
585 security interest in the titled personal property and return the  
586 personal property certificate of title to the pledgor. The title





587 pledge agreement shall provide that upon failure by the pledgor to  
588 redeem the certificate of title at the end of the original  
589 thirty-day agreement period, or at the end of any extension(s)  
590 thereof, the title pledge lender shall be allowed to take  
591 possession of the titled personal property. The title pledge  
592 agreement shall contain a power of attorney which authorizes the  
593 title pledge lender to transfer title to the pledged property from  
594 the pledgor to the title pledge lender upon failure to redeem the  
595 pledged property on or before the maturity date of the title  
596 pledge agreement, or any extension thereof. The title pledge  
597 lender shall take physical possession of the certificate of title  
598 for the entire length of the title pledge agreement, but shall not  
599 be required to take physical possession of the titled personal  
600 property at any time. A title pledge lender may only take  
601 unencumbered certificates of title for pledge, but may encumber  
602 the title as part of the title pledge transaction by perfecting  
603 its security interest in the titled property.

604 (i) "Title pledge lender" means any person engaged in  
605 the business of making title pledge agreements with pledgors;  
606 provided, however, that the following are exempt from the  
607 definition of "title pledge lender" and from the provisions of  
608 this article: any bank which is regulated by the Department of  
609 Banking and Consumer Finance, the Comptroller of the Currency of  
610 the United States, the Federal Deposit Insurance Corporation, the  
611 Board of Governors of the Federal Reserve System or any other



612 federal or state authority and all affiliates of such bank, and  
613 additionally any bank or savings and loan association whose  
614 deposits or accounts are eligible for insurance by the Bank  
615 Insurance Fund or the Savings Association Insurance Fund or other  
616 fund administered by the Federal Deposit Insurance Corporation or  
617 any successor thereto, and all affiliates of such banks and  
618 savings and loan associations, any state or federally chartered  
619 credit union and finance company subject to licensing and  
620 regulation by the Department of Banking and Consumer Finance.

621 (j) "Title pledge office" means the location at which,  
622 or premises in which, a title pledge lender regularly conducts  
623 business.

624 (k) "Title pledge service charge" means a charge for  
625 investigating the title, appraising the titled personal property  
626 to which the pledged property relates, documenting and closing the  
627 title pledge agreement transaction, making required reports to  
628 appropriate law enforcement officials, and for all of the services  
629 provided by the title pledge lender.

630 (l) "Title pledge transaction form" means the  
631 instrument on which a title pledge lender records title pledge  
632 agreements pursuant to this article.

633 (m) "Titled personal property" means any personal  
634 property the ownership of which is evidenced and delineated by a  
635 state-issued certificate of title.



636 (n) "Records" or "documents" means any item in hard  
637 copy or produced in a format of storage commonly described as  
638 electronic, imaged, magnetic, microphotographic or otherwise, and  
639 any reproduction so made shall have the same force and effect as  
640 the original thereof and be admitted in evidence equally with the  
641 original.

642 **SECTION 21.** Section 75-67-505, Mississippi Code of 1972, is  
643 reenacted as follows:

644 75-67-505. (1) (a) A person may not engage in business as  
645 a check casher or otherwise portray himself as a check casher  
646 unless the person has a valid license authorizing engagement in  
647 the business. Any transaction that would be subject to this  
648 article that is made by a person who does not have a valid license  
649 under this article shall be null and void. A separate license is  
650 required for each place of business under this article and each  
651 business must be independent of, and not a part of, any other  
652 business operation. A check cashing business shall not be a part  
653 of, or located at the same business address with, a pawnshop,  
654 title pledge office and small loan company.

655 (b) A check cashing business shall (i) have a  
656 definitive United States postal address and E911 address; (ii)  
657 comply with local zoning requirements; (iii) have a minimum of one  
658 hundred (100) square feet with walls from floor to ceiling  
659 separating the operation from any other businesses; (iv) have an  
660 outside entrance, but may be located in an area that has a common



661 lobby shared by other businesses as long as the customers do not  
662 enter the check cashing business through another business; (v)  
663 have proper signage; and (vi) maintain separate books and records.  
664 Any licensee who does not cash any delayed deposit checks as  
665 authorized under Section 75-67-519 shall not be subject to the  
666 requirements of subparagraphs (i), (iii) and (iv) of this  
667 paragraph.

668 (c) A licensed check casher may sell, at the same  
669 location as his check cashing business, the following items and  
670 services: money orders; income tax preparation service; copy  
671 service; wire transfer service; notary service; pagers; pager  
672 service; prepaid cellular service; debit card; prepaid telephone  
673 cards; prepaid telephone service; and operate a processing center  
674 where utility bills, credit card payments and other payments are  
675 collected from the general public and governmental and private  
676 payments are distributed. In the event a licensee accepts wire  
677 transfers in the form of a direct deposit of a payroll check or  
678 other similar types of deposit, the licensee shall not encumber  
679 any transferred funds against a deferred deposit agreement or any  
680 delinquent deferred deposit agreement with such customer. The  
681 commissioner may authorize additional functions in addition to  
682 those provided in this subsection that may be performed as part of  
683 a check cashing business, but shall authorize the offering of  
684 credit availability transactions as provided in Sections 75-67-601  
685 through 75-67-637.



686 (d) The commissioner may issue more than one (1)  
687 license to a person if that person complies with this article for  
688 each license. A new license is required upon a change, directly  
689 or beneficially, in the ownership of any licensed check casher  
690 business and an application shall be made to the commissioner in  
691 accordance with this article.

692 (2) When a licensee wishes to move a check casher business  
693 to another location, the licensee shall give thirty (30) days'  
694 prior written notice to the commissioner who shall amend the  
695 license accordingly.

696 (3) Each license shall remain in full force and effect until  
697 relinquished, suspended, revoked or expired. With each initial  
698 application for a license, the applicant shall pay the  
699 commissioner at the time of making the application a license fee  
700 of Seven Hundred Fifty Dollars (\$750.00), and on or before  
701 September 1 of each year thereafter, an annual renewal fee of Four  
702 Hundred Seventy-five Dollars (\$475.00). If the annual renewal fee  
703 remains unpaid twenty-nine (29) days after September 1, the  
704 license shall thereupon expire, but not before the thirtieth day  
705 of September of any year for which the annual fee has been paid.  
706 If any licensee fails to pay the annual renewal fee before the  
707 thirtieth day of September of any year for which the renewal fee  
708 is due, then the licensee shall be liable for the full amount of  
709 the license fee, plus a penalty in an amount not to exceed  
710 Twenty-five Dollars (\$25.00) for each day that the licensee has



711 engaged in business after September 30. All licensing fees and  
712 penalties shall be paid into the Consumer Finance Fund of the  
713 Department of Banking and Consumer Finance.

714 (4) Notwithstanding other provisions of this article, the  
715 commissioner may issue a temporary license authorizing the  
716 operator of a check casher business on the receipt of an  
717 application for a license involving principals and owners that are  
718 substantially identical to those of an existing licensed check  
719 casher. The temporary license is effective until the permanent  
720 license is issued or denied.

721 **SECTION 22.** Section 75-67-639, Mississippi Code of 1972, is  
722 amended as follows:

723 75-67-639. Sections 75-67-601 through 75-67-639 \* \* \* shall  
724 stand repealed on July 1, \* \* \* 2026.

725 **SECTION 23.** This act shall take effect and be in force from  
726 and after July 1, 2021.

