

By: Senator(s) Caughman

To: Business and Financial  
Institutions

SENATE BILL NO. 2018

1 AN ACT TO AMEND SECTION 81-1-81, MISSISSIPPI CODE OF 1972, TO  
2 EXTEND THE AUTOMATIC REPEALER ON THE AUTHORITY OF THE MISSISSIPPI  
3 DEPARTMENT OF BANKING AND CONSUMER FINANCE TO CONDUCT PERIODIC  
4 JOINT-BANK EXAMINATIONS WITH THE FEDERAL RESERVE; AND FOR RELATED  
5 PURPOSES.

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

7 **SECTION 1.** Section 81-1-81, Mississippi Code of 1972, is  
8 amended as follows:

9 81-1-81. (1) It shall be the duty of the commissioner to  
10 apportion the work of examining banks among the examiners in such  
11 a way that each bank, under the provisions of law, shall be  
12 examined at least once during an eighteen-month period and more  
13 often, if necessary, in the discretion of the commissioner, at  
14 irregular intervals and without prior notice. However, neither  
15 the commissioner nor any examiner shall examine one (1) bank twice  
16 in succession unless the commissioner, for cause, so determines.  
17 In the event the commissioner's office, because of workload or  
18 other good sufficient cause, is unable to conduct an examination  
19 of a bank as provided for in this section, the commissioner is



20 hereby authorized to accept the examination of any state bank  
21 performed by the Federal Deposit Insurance Corporation or the  
22 Federal Reserve Bank in lieu of the examination provided for in  
23 this section. However, in no case shall the commissioner be  
24 authorized to accept any such examination of any state bank  
25 performed by either the Federal Deposit Insurance Corporation or  
26 the Federal Reserve Bank for any two (2) consecutive  
27 eighteen-month periods.

28 (2) The commissioner may join an examination and/or issue a  
29 joint report of examination with the Federal Reserve Bank of any  
30 bank holding company, including any foreign-owned bank holding  
31 company, with more than One Billion Dollars (\$1,000,000,000.00) in  
32 assets that owns a Mississippi state-chartered bank. The  
33 commissioner shall not perform an examination independent of the  
34 Federal Reserve Bank. The commissioner may accept any examination  
35 report of a bank holding company performed solely by the Federal  
36 Reserve Bank in lieu of conducting a joint examination. Further,  
37 the commissioner may join in related supervisory orders issued by  
38 the Federal Reserve Bank. There shall be no cost to a bank or a  
39 bank holding company as a result of the commissioner's  
40 participation in a joint examination of a bank holding company as  
41 authorized by this subsection. The provisions of this subsection  
42 (2) shall stand repealed on July 1, \* \* \* 2024.

43 **SECTION 2.** This act shall take effect and be in force from  
44 and after July 1, 2022.

