

By: Representative Aguirre

To: Banking and Financial Services

HOUSE BILL NO. 1030

1 AN ACT TO CREATE A NEW SECTION OF LAW IN THE MOTOR VEHICLE
 2 SALES FINANCE LAW TO CLARIFY THAT EMPLOYEES OF A STATE LICENSEE
 3 MAY WORK FROM HOME OR OTHER REMOTE LOCATION SUBJECT TO CERTAIN
 4 CONDITIONS; TO AMEND SECTION 63-19-15, MISSISSIPPI CODE OF 1972,
 5 TO EXEMPT THE LICENSEE FROM INDICATION ON THE LICENSE THE
 6 LOCATIONS FROM WHICH EMPLOYEE ARE WORKING REMOTELY; TO AMEND
 7 SECTION 63-19-27, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE
 8 COMMISSIONER TO CHARGE THE LICENSEE FEES FOR SPECIAL EXAMINATIONS
 9 BASED ON THE AVERAGE DAILY COST OF ALL EXAMINERS IN THE DEPARTMENT
 10 OF BANKING AND CONSUMER FINANCE; TO BRING FORWARD SECTIONS
 11 63-19-7, 63-19-11, 63-19-19 AND 63-19-23, MISSISSIPPI CODE OF
 12 1972, FOR PURPOSES OF POSSIBLE AMENDMENTS; AND FOR RELATED
 13 PURPOSES.

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

15 **SECTION 1.** (1) Notwithstanding any other law to the
 16 contrary, nothing in this chapter shall be interpreted to
 17 interfere with employees of a licensee, licensed under this
 18 Chapter 19, Title 63, Mississippi Code of 1972, working from home
 19 or another remote location selected by the employee, provided that
 20 the licensee:

21 (a) Ensures all in-person customer interactions will
 22 not be conducted at home or other remote location through
 23 videoconference or teleconference mechanisms, and will not



24 designate the home or other remote location to consumers or
25 customers as a business location;

26 (b) Maintains appropriate safeguards for licensee and
27 consumer data, information and records, including the use of
28 secure virtual private networks where appropriate;

29 (c) Employs appropriate risk-based monitoring and
30 oversight processes of work performed from home or other remote
31 location, and maintains records of the same;

32 (d) Ensures consumer information and records, in their
33 tangible form or kept on portable electronic storage devices, are
34 not maintained at home or other remote location;

35 (e) Ensures consumer and licensee information and
36 records remain accessible and available for regulatory oversight
37 and exams; and

38 (f) Provides appropriate employee training to keep all
39 conversations about, and with, consumers conducted from home or
40 other remote location confidential, as if conducted from a
41 commercial location, and to ensure remote employees work in an
42 environment conducive and appropriate to that privacy.

43 (2) The provisions of this sections shall not be applicable
44 to any bank, trust company, private banker, industrial bank or
45 investment company authorized to do business in this state, and
46 which routinely engages in the practice of financing the sales of
47 motor vehicles, exempted from licensure under Section 63-19-7.



48 **SECTION 2.** Section 63-19-15, Mississippi Code of 1972, is
49 amended as follows:

50 63-19-15. Each license shall specify the location of the
51 office and must be conspicuously displayed there. No such
52 specification of office location shall be required to identify the
53 remote location of employees of the licensee who are working from
54 home or another location outside of the office designated on the
55 license.

56 **SECTION 3.** Section 63-19-27, Mississippi Code of 1972, is
57 amended as follows:

58 63-19-27. (1) The commissioner may charge the licensee an
59 examination fee in an amount not less than Three Hundred Dollars
60 (\$300.00) nor more than Six Hundred Dollars (\$600.00) for each
61 office or location within the State of Mississippi, plus any
62 actual expenses incurred while examining the licensee's records or
63 books that are located outside the State of Mississippi. However,
64 in no event shall a licensee be examined more than once in a
65 two-year period unless for cause shown based upon consumer
66 complaint and/or other exigent reasons as determined by the
67 commissioner. All expense fees paid to the commissioner for
68 examinations conducted under this subsection shall be deposited by
69 the commissioner in the State Treasury in a special and separate
70 fund to be known as the "Consumer Finance Fund."

71 (2) When any special examination is conducted and so
72 denominated by the commissioner, he or she shall charge the



73 licensee so examined the cost based on the average daily cost of
74 all examiners of the department plus actual and necessary
75 expenses. The fees for any special examination conducted under
76 this subsection shall be deposited by the commissioner into the
77 Department of Banking and Consumer Finance's Maintenance Fund and
78 may be expended for any purpose authorized for that fund.

79 **SECTION 4.** Section 63-19-7, Mississippi Code of 1972, is
80 brought forward as follows:

81 63-19-7. No person shall engage in the business of a sales
82 finance company in this state without a license therefor as
83 provided in this chapter. However, no bank, trust company,
84 private banker, industrial bank or investment company authorized
85 to do business in this state shall be required to obtain a license
86 under this chapter. They shall, however, comply with all of the
87 other provisions of this chapter.

88 **SECTION 5.** Section 63-19-11, Mississippi Code of 1972, is
89 brought forward as follows:

90 63-19-11. With each initial application for a license, the
91 applicant shall pay to the commissioner at the time of making the
92 application a license fee of Seven Hundred Fifty Dollars
93 (\$750.00), and for renewal applications, an annual renewal fee of
94 Four Hundred Seventy-five Dollars (\$475.00) for each calendar year
95 for each place of business so operated.

96 **SECTION 6.** Section 63-19-19, Mississippi Code of 1972, is
97 brought forward as follows:



98 63-19-19. If a licensee is a firm, association or
99 corporation, it shall be sufficient cause for the suspension or
100 revocation of a license that any officer, director or trustee of a
101 licensed firm, association or corporation, or any member of a
102 licensed partnership, has so acted or failed to act as would be
103 cause for suspending or revoking a license to such party as an
104 individual. Each licensee shall be responsible for the acts of
105 any or all of his employees while acting as his agent, if such
106 licensee after actual knowledge of said acts retained the
107 benefits, proceeds, profits or advantages accruing from said acts
108 or otherwise ratified said acts.

109 **SECTION 7.** Section 63-19-23, Mississippi Code of 1972, is
110 brought forward as follows:

111 63-19-23. The administrator shall, at intermittent periods,
112 make such investigations and examinations of any licensee or other
113 person as he deems necessary to determine compliance with this
114 chapter. For such purpose he may examine the books, accounts,
115 records and other documents or matters of any licensee or other
116 person. He shall have the power to compel the production of all
117 relevant books, records and other documents and materials relative
118 to an examination or investigation. Such investigations and
119 examinations shall not be made more often than once during a year
120 unless the administrator has reason to believe the licensee is not
121 complying with the provisions of this chapter.



122 **SECTION 8.** Section 1 of this act shall be codified in
123 Chapter 19, Title 63, Mississippi Code of 1972.

124 **SECTION 9.** This act shall take effect and be in force from
125 and after its passage.

