

## REPORT OF CONFERENCE COMMITTEE

MR. SPEAKER AND MR. PRESIDENT:

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

H. B. No. 723: Consumer finance laws; revise various fees and penalties.

We, therefore, respectfully submit the following report and recommendation:

1. That the Senate recede from its Amendment No. 1.
2. That the House and Senate adopt the following amendment:

**AMEND** on line 802 by deleting the word and figure "five (5)" and inserting in lieu thereof the word and figure "three (3)"

**AMEND FURTHER** by deleting the language beginning with the word "If" on line 806 through the period on line 817 and inserting in lieu thereof the following:

"The cost of repossession shall include towing charges, storage charges paid to a third party and repairs made to the property to render it operable.

(5) If the property is sold after the three-business-day period, the title pledge lender shall return to the pledgor eighty-five percent (85%) of the amount received from the sale above the amount of the unpaid principal balance, the delinquent service charge, the actual cost of the repossession and a sales fee of One Hundred Dollars (\$100.00). However, any titled personal property that is deemed to be salvage by the title pledge lender may be sold or otherwise disposed of immediately upon repossession.

(6) The title pledge transaction form shall contain a provision written in boldface type of at least fourteen (14) point size that notifies the pledgor that the titled personal property is subject to sale at any time after the three-business-day period has expired, unless the property is deemed to be salvage by the title pledge lender, in which case the property may be sold or

otherwise disposed of immediately. The transaction form shall have a space located near that provision that the pledgor must initial."

**AMEND FURTHER** by deleting lines 842 through 849 in their entirety and inserting in lieu thereof the following:

"Beginning with the first extension or continuation and at each successive extension or continuation thereafter, the pledgor shall be required to reduce the principal amount financed by at least ten percent (10%) of the original principal amount of the title pledge transaction. Notwithstanding any provision in this article to the contrary, if the pledgor fails to pay at least ten percent (10%) of the original principal amount at any such extension or continuation, the title pledge lender may, at its option, either (a) declare the outstanding principal and any service charges to be immediately due and payable, or (b) allow the transaction to be extended or continued, provided that the title pledge lender shall reduce the principal amount of the loan by ten percent (10%) of the original principal amount solely for the purposes of calculating its service charge. This reduction in principal shall continue to be owing by the pledgor in accordance with the title pledge transaction, but that amount shall not be entitled to accrue interest or service charges thereafter."

**AMEND FURTHER** by inserting the following new Section 29 after line 999 and renumbering the succeeding sections and any references thereto, the new Section 29 to read as follows:

"SECTION 29. The following section shall be codified as a separate code section within Article 9 of Chapter 67 of Title 75, Mississippi Code of 1972:

75-67-\_\_\_. (1) A licensee under this article shall have no liability for any act or practice done or omitted in conformity with (a) any rule or regulation of the commissioner, or (b) any rule, regulation, interpretation or approval of any other state or federal agency or any opinion of the Attorney General, notwithstanding that after such act or omission has occurred the rule, regulation, interpretation, approval or opinion is amended, rescinded, or determined by judicial or other authority to be

invalid for any reason.

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

**AMEND FURTHER** the title by deleting lines 59 through 70 and inserting in lieu thereof the following:

"PAYMENT HISTORY OF EACH CUSTOMER; TO AMEND SECTION 75-67-411, MISSISSIPPI CODE OF 1972, TO AUTHORIZE A PLEDGOR IN A TITLE PLEDGE AGREEMENT TO REDEEM THE PLEDGED PROPERTY WITHIN THREE BUSINESS DAYS AFTER THE TITLE PLEDGE LENDER HAS TAKEN POSSESSION OF THE PROPERTY; TO PROVIDE THAT IF THE PROPERTY IS SOLD AFTER THE THREE-DAY PERIOD, THE LENDER SHALL RETURN TO THE PLEDGOR 85% OF THE AMOUNT RECEIVED FROM THE SALE ABOVE THE AMOUNT NEEDED TO REDEEM THE PROPERTY PLUS A SALES FEE; TO PROVIDE THAT ANY TITLED PERSONAL PROPERTY DEEMED TO BE SALVAGE BY THE LENDER MAY BE DISPOSED OF IMMEDIATELY UPON REPOSSESSION; TO PROVIDE THAT THE TITLE PLEDGE TRANSACTION FORM MUST CONTAIN A BOLDFACE PROVISION THAT NOTIFIES THE PLEDGOR THAT THE TITLED PERSONAL PROPERTY IS SUBJECT TO SALE AT ANY TIME AFTER THE THREE-DAY PERIOD HAS EXPIRED; TO AMEND SECTION 75-67-413,"

**AMEND FURTHER** the title by inserting the following after the semicolon on line 93:

"TO CREATE A NEW CODE SECTION TO BE CODIFIED WITHIN ARTICLE 9 OF CHAPTER 67 OF TITLE 75, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT LICENSEES UNDER THE TITLE PLEDGE ACT SHALL NOT BE LIABLE FOR ANY ACT OR OMISSION IN CONFORMITY WITH ANY RULE OR REGULATION OF THE COMMISSIONER OF BANKING OR ANY OTHER STATE OR FEDERAL AGENCY OR ANY OPINION OF THE ATTORNEY GENERAL; TO PROVIDE THAT THOSE LICENSEES, ACTING IN CONFORMITY WITH A WRITTEN INTERPRETATION OF A STATE OR FEDERAL AGENCY OR DEPARTMENT, SHALL BE PRESUMED TO HAVE ACTED IN ACCORDANCE WITH APPLICABLE LAW;"

CONFEREES FOR THE HOUSE

**X**\_\_\_\_\_

Daniel D. Guice, Jr.

**X**\_\_\_\_\_

Bobby B. Howell

**X**\_\_\_\_\_

Clint Rotenberry

CONFEREES FOR THE SENATE

**X**\_\_\_\_\_

Nolan Mettetal

**X**\_\_\_\_\_

Lynn Posey

**X**\_\_\_\_\_

Billy Thames