

By: Representative Mayo

To: Banks and Banking

HOUSE BILL NO. 350

1 AN ACT TO LIMIT THE AMOUNT OF A SERVICE CHARGE THAT A
2 FINANCIAL INSTITUTION MAY CHARGE A CUSTOMER FOR AN OVERDRAWN
3 CHECKING ACCOUNT; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** (1) For an overdrawn checking account, a
6 financial institution shall not charge a customer:

7 (a) A fee or service charge that exceeds two (2) times
8 the face amount of the check or Fifty Dollars (\$50.00), whichever
9 is less, for each check drawn against the account; or

10 (b) A separate fee or service charge for each day that
11 the account is overdrawn.

12 (2) As used in this section, the term "financial
13 institution" means:

14 (a) Any bank, savings association, savings and loan
15 association, savings bank or credit union incorporated under the
16 laws of the State of Mississippi that offers checking accounts to
17 Mississippi residents;

18 (b) Any bank, savings association, savings and loan
19 association or credit union incorporated under the laws of the
20 United States and having an office in Mississippi that offers
21 checking accounts to Mississippi residents; and

22 (c) Any bank, savings association, savings and loan
23 association, savings bank or credit union incorporated under the
24 laws of another state and having an office in Mississippi that
25 offers checking accounts to Mississippi residents.

26 **SECTION 2.** This act shall take effect and be in force from
27 and after July 1, 2002.

