

By: Representative Guice

To: Banks and Banking

HOUSE BILL NO. 1223

1 AN ACT TO AMEND SECTION 75-67-419, MISSISSIPPI CODE OF 1972,
2 TO REQUIRE CONTINUING EDUCATION FOR INDIVIDUALS ENGAGED IN
3 BUSINESS AS A TITLE PLEDGE LENDER; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** Section 75-67-419, Mississippi Code of 1972, is
6 amended as follows:

7 75-67-419. (1) A person may not engage in business as a
8 title pledge lender or otherwise portray himself as a title pledge
9 lender unless the person has a valid license authorizing
10 engagement in the business. A separate license is required for
11 each place of business under this article. The commissioner may
12 issue more than one (1) license to a person if that person
13 complies with this article for each license. A new license or
14 application to transfer an existing license is required upon a
15 change, directly or beneficially, in the ownership of any licensed
16 title pledge office and an application shall be made to the
17 commissioner in accordance with this article.

18 (2) When a licensee wishes to move a title pledge office to
19 another location, the licensee shall give thirty (30) days prior
20 written notice to the commissioner who shall amend the license
21 accordingly.

22 (3) Each license shall remain in full force and effect until
23 relinquished, suspended, revoked or expired. With each initial
24 application for a license, the applicant shall pay the
25 commissioner at the time of making the application a license fee
26 of Seven Hundred Fifty Dollars (\$750.00), and on or before June 1
27 of each year thereafter, an annual renewal fee of Four Hundred



28 Seventy-five Dollars (\$475.00). If the annual fee remains unpaid
29 thirty (30) days after June 1, the license shall thereupon expire,
30 but not before June 30 of any year for which the annual fee has
31 been paid. If any person engages in business as provided for in
32 this article without paying the license fee provided for in this
33 article before commencing business or before the expiration of
34 such person's current license, as the case may be, then the person
35 shall be liable for the full amount of the license fee, plus a
36 penalty in an amount not to exceed Twenty-five Dollars (\$25.00)
37 for each day that the person has engaged in the business without a
38 license or after the expiration of a license. All licensing fees
39 and penalties shall be paid into the Consumer Finance Fund of the
40 Department of Banking and Consumer Finance.

41 (4) Notwithstanding other provisions of this article, the
42 commissioner may issue a temporary license authorizing the
43 operation of a title pledge office on the receipt of an
44 application to transfer a license from one person to another or on
45 the receipt of an application for a license involving principals
46 and owners that are substantially identical to those of an
47 existing licensed title pledge office. The temporary license is
48 effective until the permanent license is issued or denied.

49 (5) Notwithstanding other provisions of this article,
50 neither a new license nor an application to transfer an existing
51 license shall be required upon any change, directly or
52 beneficially, in the ownership of any licensed title pledge office
53 incorporated under the laws of this state or any other state so
54 long as the licensee continues to operate as a corporation doing a
55 title pledge business under the license. The commissioner may,
56 however, require the licensee to provide such information as he
57 deems reasonable and appropriate concerning the officer and
58 directors of the corporation and persons owning in excess of
59 twenty-five percent (25%) of the outstanding shares of the
60 corporation.



61 (6) Each application for the renewal of a license shall
62 include evidence of the satisfactory completion of at least eight
63 (8) hours of approved continuing education in title pledge loan
64 transactions by the officers and principals who are or will be
65 actively engaged in the daily operation of a title pledge business
66 in the State of Mississippi. For purposes of this subsection,
67 approved courses shall be those as approved by the Mississippi
68 Title Pledge Lenders Association.

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

