

By: Senator(s) Tollison

To: Business and Financial
Institutions

SENATE BILL NO. 2577

1 AN ACT TO CREATE NEW CODE SECTION 75-67-542, MISSISSIPPI CODE
2 OF 1972, TO REQUIRE CHECK CASHER LICENSEES TO FILE ANNUAL REPORTS
3 WITH THE COMMISSIONER OF BANKING AND CONSUMER FINANCE; TO REQUIRE
4 THE COMMISSIONER TO COMPILE AN ANNUAL REPORT CONTAINING CERTAIN
5 DATA REGARDING ALL DEFERRED DEPOSIT LOANS MADE IN THE PRECEDING
6 YEAR; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** The following shall be codified as Section
9 75-67-541, Mississippi Code of 1972:

10 75-67-541. Annual reports. (1) The commissioner shall
11 require licensees to submit an annual report to the commissioner
12 on or before the last day of February for the preceding year
13 disclosing:

14 (a) The resources, assets and liabilities of the
15 licensees at the beginning and end of the period.

16 (b) The income, expense, gain, loss and a
17 reconciliation of surplus or net worth with the balance sheets,
18 and the ratios of the profits to the assets reported.

19 (c) The total number of deferred deposit loans made in
20 the calendar year ending as of December 31 of the previous year.

21 (d) The total number of such loans outstanding as of
22 December 31 of the previous year.

23 (e) The minimum, maximum and average dollar amount of
24 checks whose deposits were deferred in the calendar year ending as
25 of December 31 of the previous year.

26 (f) The average annual percentage rate, the average
27 number of days a deposit of a check is deferred during the
28 calendar year ending as of December 31 of the previous year.

29 (g) The total dollar amount and number of returned
30 checks, checks recovered and checks charged off during the
31 calendar year ending as of December 31 of the previous year.

32 (h) A statement verifying that the licensee has not
33 used the criminal process or caused the criminal process to be
34 used in the collection of any deferred deposit loan during the
35 calendar year ending as of December 31 of the previous year.

36 (i) Any additional data or information that is
37 reasonably necessary to the performance of the commissioner's
38 oversight duties.

39 (2) The commissioner shall maintain as confidential any
40 proprietary financial information submitted by lenders pursuant
41 to this section.

42 (3) The commissioner shall compile an annual report by April
43 1 of each year, beginning April 1, 2005, containing, at a minimum,
44 data regarding all deferred deposit loans made in the preceding
45 year by lenders on an aggregate basis. Annual reports shall be
46 made available to interested parties and the general public. The
47 report shall include in the aggregate all information reported by
48 lenders pursuant to subsection (1) of this section. Consistent
49 with Mississippi law, the report shall include, at a minimum,
50 nonidentifying borrower data from the preceding year, which is
51 available from the database, including:

52 (a) The total number and dollar amount of deferred
53 deposit loans made in the calendar year ending as of December 31
54 of the previous year.

55 (b) The total number and dollar amount of deferred
56 deposit loans outstanding as of December 31 of the previous year.

57 (c) The minimum, maximum and average dollar amount of
58 payment devices whose deposits were deferred in the calendar year
59 ending December 31 of the previous year.

60 (d) The average annual percentage rate and the average
61 number of days a deposit of a payment device is deferred during
62 the calendar year ending as of December 31 of the previous year.

63 (e) The number of loans made in the amount of One
64 Hundred Dollars (\$100.00) or less, the number of loans made in the
65 amount of One Hundred One Dollars (\$101.00) to Two Hundred Dollars
66 (\$200.00), the number of loans in the amount of Two Hundred One
67 Dollars (\$201.00) to Three Hundred Dollars (\$300.00), and the
68 percentage of total loans made in each of these ranges.

69 (f) The number of loans that, upon repayment or deposit
70 of a borrower's deferred deposit payment device, ended in the
71 first week of the loan and the number of loans repaid or ending
72 with the deposit of a borrower's deferred deposit payment device
73 for successive weeks up to fourteen (14) weeks with the
74 corresponding APR range for each week.

75 (g) The total dollar amount of fees collected for
76 deferred deposit payment devices cashed.

77 (h) The total number and dollar amount of returned
78 deferred deposit payment devices and fees charged for those
79 returned deferred deposit payment devices.

80 (i) The total number of loans and the total dollar
81 amount of the net charge-offs or write-offs and recoveries of the
82 lender.

83 (j) The number of deferred deposit loans entered into
84 by borrowers in numerical order from one to the highest number of
85 loans entered into by any borrower in the calendar year, with the
86 corresponding percentages for each numerical category.

87 **SECTION 2.** This act shall take effect and be in force from
88 and after July 1, 2005.