

MEMORANDUM

TO: All Licensed Check Cashers

FROM: John S. Allison
Commissioner

DATE: November 22, 2004

RE: Mississippi Check Cashers Act

This office has received various inquiries regarding certain provisions of the Mississippi Check Cashers Act; hence this memorandum shall provide you with the Department's interpretation of these matters.

1) Section 75-67-519 (7) states in part that, "if a licensee takes legal action against a customer to collect the amount of a delayed deposit check for which the licensee has not obtained payment and obtains a judgment against the customer for the amount of that check the licensee shall also be entitled to any court-awarded fees." It is the opinion of this office that court-awarded fees only include reasonable attorney fees and court costs. **Therefore, in your court filings you are only authorized to request the face amount of the check, the \$30.00 processing fee authorized under Section 75-67-519 (7), if previously disclosed in the written agreement, reasonable attorney fees and court costs.**

2) As you may be aware, the authorized service charge for an insufficient check under the Bad Check Law was increased to \$40.00 during the 2004 Legislative Session, however, you are not allowed to use this statute for returned checks under the Mississippi Check Cashers Act. Please be advised that you are authorized to charge only a \$30.00 processing fee under Section 75-67-519 (7), if previously disclosed in the written agreement.

3) Section 3 of the Check Casher Regulations set forth the requirements for record keeping on a delayed deposit transaction. Please be aware that you must maintain a copy of the check on each delayed deposit transaction.

This memorandum is effective immediately. Please be advised that any violations noted during an examination regarding the above-referenced matters could result in the assessment of a civil money penalty, customer refunds or both. If you should have any questions, feel free to call me or my deputy, Theresa Brady, at (601) 359-1031.