

2014 Legislative Session Update

Mississippi Department of Banking and Consumer Finance

The 2014 Regular Legislative Session has concluded and in accordance with state law the Mississippi Department of Banking and Consumer Finance (DBCF) is required to publish an update to alert the public and all licensees of the changes that have occurred in the most recent session. House Bill 910 ([HB910SG as passed](#)) was signed into law by Governor Phil Bryant on March 17, 2014 and takes effect July 1, 2014. HB 910 contains the following amendments that are pertinent to DBCF and may apply to the various industries it regulates:

- Section 81-1-127 of the Mississippi Code of 1972 authorizes DBCF to remove a bank employee as a result of a violation of law. It further authorizes DBCF to prevent a previously removed bank employee from employment with another bank. HB 910 expands DBCF's authority such that a removed employee may now also be prohibited from future employment at a bank subsidiary, bank holding company, or any other entity that is regulated by DBCF. Prior approval of the Commissioner should be sought prior to employment of an individual that has been permanently removed as a bank employee by DBCF or any federal regulatory authority.
- Section 81-5-29 of the Mississippi Code of 1972 allows corporations to be formed in order to purchase, hold and own bank assets. These entities are known as "Bank Securities Corporations." HB 910 inserts a requirement that from and after July 1, 2014, any proposed transfer of assets from a bank to a Bank Securities Corporation must receive prior consent and approval of DBCF's Commissioner.
- HB 910 creates a new section in the Mississippi Code of 1972. Section 81-1-137 now provides express authority for DBCF to establish or participate in programs that will educate Mississippi's consumers on financial literacy, banking, or any other issues related to the industries regulated by DBCF.

Any questions or concerns may be addressed to DBCF's General Counsel, Stephen F. Schelver, stephen.schelver@dbcf.ms.gov .