



*Regulating State-Chartered Banks, Credit Unions, Residential Mortgage Loan Companies and Originators, and Consumer Finance industries*

## **Legislative Updates**

In accordance with state law the DBCF is required to publish an update to inform the public and all licensees of the changes that have occurred in the most recent session.

**HB910** – House Bill 910 was signed into law by Governor Phil Bryant on March 17, 2014, and takes effect July 1, 2014. HB910 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 violation of law. It further authorizes DBCF to prevent a previously removed bank employee from employment of another bank. HB910 expands DBCF’s authority to 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 other 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.” HB910 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.

**Section 81-1-137** of the Mississippi Code of 1972 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 issue related to the industries regulated by DBCF.