

By: Senator(s) Walls, Jones

To: Business and Financial
Institutions

SENATE BILL NO. 2934

1 AN ACT TO CREATE THE "CREDIT ENHANCEMENT LOAN ACT OF 2008";
2 TO PROVIDE FOR FINDINGS OF THE LEGISLATURE; TO DEFINE CERTAIN
3 TERMS AS USED IN THE ACT; TO REQUIRE LICENSING OF LENDERS BY THE
4 DEPARTMENT OF BANKING AND CONSUMER FINANCE; TO PRESCRIBE PENALTIES
5 FOR VIOLATIONS; TO PROVIDE FOR FEES PAYABLE TO THE DEPARTMENT; TO
6 ESTABLISH REQUIREMENTS NECESSARY FOR ISSUANCE OF A LICENSE BY THE
7 DEPARTMENT; TO PROVIDE FOR THE FORM AND CONTENTS OF AN
8 APPLICATION; TO PROVIDE FOR REVOCATION OR SUSPENSION OF A LICENSE;
9 TO PROVIDE FOR AMOUNTS OF LOANS AND INTEREST RATES; TO PROHIBIT
10 MULTIPLE LOANS IN CERTAIN SITUATIONS; TO PROVIDE FOR ENFORCEMENT
11 OF LOAN AGREEMENTS; TO PROVIDE FOR DISCLOSURE FORMS FOR THE
12 CUSTOMER; TO PROVIDE FOR REPORTS TO CREDIT BUREAUS; TO REQUIRE
13 MAINTENANCE OF FINANCIAL RECORDS BY LICENSEES; TO PROVIDE FOR
14 REPORTS TO BE FILED WITH THE COMMISSIONER OF BANKING AND CONSUMER
15 FINANCE; TO PROVIDE FOR DESIST ORDERS; TO PROVIDE FOR APPEALS FROM
16 ACTIONS OF THE DEPARTMENT; TO PROVIDE FOR NONENFORCEMENT OF CREDIT
17 ENHANCEMENT LOANS; AND FOR RELATED PURPOSES.

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

19 **SECTION 1.** This chapter shall be known and may be cited as
20 the "Credit Enhancement Loan Act of 2008."

21 **SECTION 2.** The Legislature of the State of Mississippi
22 finds:

23 (a) Customer education for unbanked and underbanked
24 customers is necessary in order to educate them on the various
25 options for customer credit and financial services that are
26 available;

27 (b) Mainstream banking services should be made
28 available to unbanked customers to meet their individual financial
29 needs;

30 (c) Accurate and understandable disclosure of agreement
31 terms, conditions and the cost of obtaining credit is absolutely
32 essential; and



33 (d) It is necessary to provide and support ongoing
34 activities to equitably provide mainstream financial services and
35 credit products to financially underserved customers while
36 providing a vehicle to bridge the gap of the financial empowerment
37 divide.

38 **SECTION 3.** The purpose of this chapter is to:

39 (a) Provide a vehicle for banking services and
40 mainstream credit products to build and rebuild credit histories
41 to enable customers in all segments of the financial spectrum,
42 especially the financially underserved and unbanked populations,
43 to improve their credit ratings and qualify for mainstream
44 financial services;

45 (b) Set forth a minimum set of parameters to establish
46 a credit enhancement loan that other financial institutions may
47 offer to qualified customers; and

48 (c) Recognize that oftentimes there is a high cost to a
49 financial institution in serving this segment of the customer
50 financial marketplace, and therefore a higher risk based interest
51 rate shall be permitted to cover this higher risk when a credit
52 enhancement loan is offered.

53 **SECTION 4.** As used in this chapter, the following terms
54 shall have the meanings ascribed to them in this section unless
55 the context requires a different meaning:

56 (a) "Amount of the extension of credit" means the
57 aggregate of the loan amounts, fees and other charges authorized
58 by this chapter.

59 (b) "Commissioner" means the Commissioner of Banking
60 and Consumer Finance.

61 (c) "Credit enhancement loan" means a short-term loan
62 that complies with all of the requirements of this chapter.

63 (d) "Creditable assets" means cash or bank deposits,
64 loans or extensions of credit made as a licensee pursuant to this



65 chapter or any other amounts as the commissioner may approve, or
66 any combination of two (2) or more of these amounts.

67 (e) "Customer" means any person who borrows money from
68 any licensee or who pays or obligates himself or herself to pay
69 any money or otherwise furnishes any valuable consideration to any
70 licensee for any act of the licensee as a licensee.

71 (f) "Department" means the Department of Banking and
72 Consumer Finance.

73 (g) "Deputy" means the Deputy Commissioner of Banking
74 and Consumer Finance.

75 (h) "License" means the license issued by the
76 commissioner under the authority of this chapter to issue credit
77 enhancement loans.

78 (i) "Licensee" means a person to whom one or more
79 licenses have been issued.

80 (j) "Loans" or "loan" means a loan made within this
81 state by a licensee pursuant to this chapter.

82 (k) "Person" includes any person, firm, partnership,
83 association, corporation or other legal entity.

84 **SECTION 5.** (1) No person shall engage in the business of
85 offering credit enhancement loans in amounts of Three Thousand
86 Dollars (\$3,000.00) or less and contract for, exact, or receive,
87 directly or indirectly, on or in connection with any credit
88 enhancement loan, any charges whether for interest, compensation,
89 consideration or expense, or any other purpose whatsoever, which
90 in the aggregate are greater than authorized by this chapter and
91 without first having obtained a license from the commissioner.
92 The term "lending" as used in this section includes, but is not
93 limited to, endorsing or otherwise securing extensions of credit
94 or contracts for the repayment of extensions of credit.

95 (2) The provisions of subsection (1) of this section shall
96 apply to any person who seeks to avoid its application by any
97 device, subterfuge or pretense whatsoever.



98 (3) Any person not exempt from this chapter who fails to
99 comply with or who otherwise violates any of the provisions of
100 this chapter or any regulation of the department adopted pursuant
101 to this chapter shall be guilty of a misdemeanor. Each violation
102 shall be considered a separate offense. It shall be the duty of
103 the commissioner to provide the district attorney of the court
104 having jurisdiction of any offense under this chapter with facts
105 and evidence in his or her actual or constructive possession and
106 to testify as to those facts upon the trial of any person for any
107 offense under this chapter.

108 (4) Any contract for the extension of credit the making or
109 collecting of which violates any provision of this chapter or
110 regulation issued pursuant to this chapter, except as a result of
111 accidental or bona fide error of computation, shall be void; and
112 the licensee or any other party in violation shall have no right
113 to collect, receive or retain any principal or charges whatsoever
114 with respect to that extension of credit.

115 **SECTION 6.** Each licensee, for the purpose of defraying
116 necessary expenses of the commissioner and his or her agents,
117 shall pay to the commissioner the fees prescribed in Section 7 of
118 this act at the times specified therein.

119 **SECTION 7.** (1) No person shall engage in or offer to engage
120 in the business of credit enhancement loans regulated by this
121 chapter unless and until a license has been issued by the
122 commissioner, and the commissioner shall issue a license under
123 this chapter if the commissioner finds that the applicant has, on
124 a consolidated basis and computed in accordance with generally
125 accepted accounting principles, a minimum net worth of not less
126 than One Million Dollars (\$1,000,000.00) at the time of
127 application for a license.

128 (2) Upon the receipt of an application, the commissioner
129 shall investigate the facts. The commissioner shall approve or
130 deny every application for a license within 90 days from the date



131 a complete application is submitted. This period may be extended
132 by the written consent of the applicant. The commissioner shall
133 notify the applicant of the date when the application is deemed
134 complete. In the absence of approval or denial of the
135 application, or consent to the extension of the ninety-day period,
136 the application shall be deemed approved and the commissioner
137 shall issue the license effective as of the first day after the
138 ninety-day or extended period has elapsed. If the commissioner
139 reasonably determines from a preliminary investigation that the
140 applicant does not satisfy the conditions set forth in subsection
141 (1) of this section, the commissioner shall so notify the
142 applicant in writing and offer specific findings of fact as to the
143 provisions of this section that have not been met. The applicant
144 shall then be entitled to an informal hearing on the decision that
145 the applicant does not satisfy the conditions set forth in this
146 section, provided that the applicant requests an informal hearing
147 in writing within thirty (30) days after receipt by the applicant
148 of the notification of failure to the applicant. In the event of
149 an informal hearing, to be held in the offices of the
150 commissioner, the commissioner shall reconsider the application
151 and, after the hearing, issue a written order granting or denying
152 the application. The applicant shall be entitled to a formal
153 appeal and hearing as prescribed in Section 21 of this act.

154 (3) Each licensee shall continue at all times to have
155 available for the operation of the business on a consolidated
156 basis and computed in accordance with generally accepted
157 accounting principles a minimum net worth of not less than One
158 Million Dollars (\$1,000,000.00). The requirements and standards
159 of this subsection shall be maintained throughout the period of
160 the license, and failure to maintain these requirements or
161 standards shall be grounds for the revocation of a license under
162 the provisions of Code Section 10 of this act.



163 **SECTION 8.** (1) The application for license shall be made on
164 a form prepared and furnished by the commissioner and shall state
165 all of the following:

166 (a) The fact that the applicant desires to engage in
167 business under this chapter;

168 (b) Whether the applicant is an individual,
169 partnership, association, corporation or other legal entity;

170 (c) The name and address of the person who will manage
171 and be in immediate control of the business;

172 (d) The names and addresses of the owners of the
173 business and their percentage of equity in the business, unless
174 the commissioner deems it not feasible to furnish the information
175 because of the number of stockholders involved. This paragraph
176 shall not apply to publicly held corporations and their operating
177 subsidiaries; and

178 (e) When the applicant proposes to commence doing
179 business.

180 (2) The statements made in this application shall be sworn
181 to by the applicant or the persons making the application on the
182 applicant's behalf.

183 (3) At the time of making an application, the applicant
184 shall pay the department Two Thousand Five Hundred Dollars
185 (\$2,500.00) as a fee for investigating the application, which
186 shall be retained whether or not a license is granted to the
187 applicant.

188 **SECTION 9.** (1) A licensee may conduct and carry on its
189 business only at the location or locations that are approved by
190 the commissioner, and no changes shall be made from one location
191 to another without prior notice to the commissioner.

192 (2) The commissioner may issue more than one (1) license to
193 the same licensee for multiple places of business upon compliance
194 with all the provisions of this chapter governing issuance of a
195 license.



196 (3) If any change occurs in the primary name and address of
197 the licensee, the legal agent of a licensed corporation, or in the
198 membership of any licensed partnership, a full statement of the
199 change, sworn to as required by subsection (2) of Section 8 of
200 this act for an original application, shall be filed with the
201 commissioner within thirty (30) days.

202 **SECTION 10.** (1) The commissioner may issue an order
203 revoking or suspending the right of a licensee and an officer,
204 agent, employee, or representative to do business in Mississippi
205 as a licensee if the commissioner finds, after due notice and
206 hearing, or opportunity for hearing, that the licensee or an
207 officer, agent, employee, or representative of that licensee has
208 done any of the following:

209 (a) Materially failed to comply with the rules,
210 regulations, instructions or orders issued by the department;

211 (b) Materially failed or refused to make its reports to
212 the commissioner;

213 (c) Failed to pay the fees for its examination and
214 supervision that are validly due and owed; or

215 (d) Knowingly furnished false information to the
216 commissioner or the department.

217 Upon receipt of an order revoking or suspending the right of
218 that licensee to do business in Mississippi from the commissioner,
219 the licensee shall immediately surrender his or her license to the
220 commissioner. Within five (5) days after the entry of an order to
221 cease business in Mississippi, the commissioner shall place on
222 file his or her findings of fact and mail or otherwise deliver a
223 copy to the licensee. Any licensee who fails to make any
224 extension of credits during any period of one (1) year after being
225 licensed shall surrender his or her license to the commissioner.

226 (2) Any licensee may surrender any license by delivering it
227 to the commissioner with written notice of the surrender, but the
228 surrender shall not affect the licensee's civil or criminal



229 liability for acts committed prior to the surrender of the
230 license.

231 (3) No revocation, suspension, or surrender of any license
232 shall impair or affect the obligation of any preexisting lawful
233 contract between the licensee and any obligor.

234 (4) The commissioner, in his or her discretion, may
235 reinstate suspended licenses or issue new licenses to a person
236 whose license or licenses have been revoked or surrendered if and
237 when he or she determines no fact or condition exists which
238 clearly would have justified the commissioner in refusing
239 originally to issue the license under this chapter.

240 (5) The licensee shall be entitled to a formal appeal and
241 hearing as prescribed in Section 21 of this act.

242 **SECTION 11.** (1) Every licensee under this chapter shall
243 make credit available through credit enhancement loans in an
244 amount not exceeding Three Thousand Dollars (\$3,000.00) at a
245 maximum interest rate of up to nineteen and nine-tenths percent
246 (19.9%) per annum. Interest shall be contracted for and collected
247 at the single simple interest rate applied to the outstanding
248 balance that would earn the same amount of interest as the initial
249 rate for payment according to schedule.

250 (2) Interest on credit enhancement loans made pursuant to
251 this section shall not be paid, deducted, or received in advance.
252 Interest shall not be compounded, but interest on extension of
253 credit shall:

254 (a) Be computed and paid only as a percentage of the
255 unpaid principal balance or portion of the unpaid principal
256 balance; and

257 (b) Be computed on the basis of the number of days
258 actually elapsed.

259 If, however, part or all of the consideration for a credit
260 enhancement loan is the unpaid principal balance of a prior credit
261 enhancement loan, then the principal amount payable under the new



262 credit enhancement loan may include any unpaid interest on the
263 prior credit enhancement loan which has accrued within ninety (90)
264 days before the making of the new credit enhancement loan. For
265 the purpose of computing interest, a day shall equal one and three
266 hundred sixty-fifths (1/365) of a year. Any payment made on a
267 credit enhancement loan shall be applied first to any accrued
268 interest and then to principal. Any portion or all of the
269 principal balance on a credit enhancement loan may be prepaid at
270 any time without penalty.

271 (3) Minimum principal payment requirements on a credit
272 enhancement loan shall be 4 percent of the loan amount or
273 Twenty-five Dollars (\$25.00), whichever is greater. Customers
274 shall be billed monthly, at a minimum.

275 (4) In addition to the interest authorized in subsection (1)
276 of this section, a licensee offering credit enhancement loans
277 under this chapter may collect from the customer an annual fee of
278 up to One Hundred Eighty Dollars (\$180.00) for processing the
279 credit enhancement loan.

280 (5) A maximum one-time underwriting fee shall not exceed Ten
281 Dollars (\$10.00).

282 (6) The maximum monthly maintenance fee shall not exceed
283 Fifteen Dollars (\$15.00).

284 (7) The maximum fee for a late payment on a credit
285 enhancement loan shall be Twenty-five Dollars (\$25.00).

286 (8) The maximum fee charged for a returned check from a
287 borrower shall be Thirty Dollars (\$30.00).

288 (9) The minimum term of a credit enhancement loan shall be
289 three (3) months.

290 (10) Every licensee under this chapter shall report on a
291 periodic basis, based on accepted industry standards, credit
292 related data, as incurred, and without discrimination, to major
293 credit bureaus to assist customers who pay in a timely manner in
294 building or rebuilding their credit histories.



295 (11) Every licensee under this chapter shall graduate
296 customers to better interest rates and other terms based on
297 positive payment histories in a manner submitted by the licensee
298 and approved by the commissioner.

299 (12) Every licensee under this chapter shall offer and
300 encourage customers to participate in programs designed to enhance
301 financial literacy enhancement.

302 (13) If a money judgment is obtained against any party on
303 any credit enhancement loan made under the provisions of this
304 section, neither the judgment nor the credit enhancement loan
305 shall carry, from the date of the judgment, any interest in excess
306 of eight percent (8%) per annum.

307 (14) Every licensee under this chapter shall charge only
308 those fees and interest as authorized in this section and filed
309 with the commissioner.

310 (15) Every licensee under this chapter shall determine the
311 credit worthiness of a customer applying for a credit enhancement
312 loan based on industry accepted or proprietary credit models.

313 **SECTION 12.** (1) A licensee shall not make credit
314 enhancement loans in one office to any customer who already has an
315 outstanding credit enhancement loan in another office operated by
316 the same entity or by another licensee that is an affiliate,
317 parent, subsidiary, or under the same ownership, management, or
318 control, whether partial or complete.

319 (2) A licensee shall take every reasonable precaution to
320 prevent granting credit enhancement loans in violation of
321 subsection (1) of this section.

322 (3) A licensee may service credit enhancement loans and
323 modify the terms of the loans within the limits authorized by
324 Section 13 of this act at any office operated by that licensee
325 regardless of where the credit enhancement loan was originated.

326 **SECTION 13.** (1) A licensee may not take an assignment of
327 earnings of the customer for payment or as security for payment of



328 a credit enhancement loan. An assignment of earnings in violation
329 of this section is unenforceable by the assignee of the earnings
330 and is revocable by the customer. However, nothing in this
331 section restricts a licensee and customer from entering into an
332 agreement whereby repayment of a credit enhancement loan can be
333 made through automatic payroll deduction, direct withdrawal from a
334 checking account or other automatic repayment plans.

335 (2) An agreement between a licensee and a customer pursuant
336 to a credit enhancement loan under this chapter pertaining to
337 default by the customer is enforceable only to the extent that the
338 customer fails to make a payment as required by the agreement.

339 (3) No licensee shall deny any credit enhancement loan or
340 discriminate in the fixing of the amount, duration, application
341 procedures, or other terms or conditions of any credit enhancement
342 loan or services because of the race, color, religion, national
343 origin, sex, or marital status of the applicant or any other
344 person connected with the transaction.

345 (4) With respect to a credit enhancement loan or services
346 made pursuant to the provisions of this chapter, the agreement
347 shall not provide for payment by the customer of attorney's fees.

348 (5) No licensee shall make any credit enhancement loan
349 within this state which shall in any way be secured by real
350 property.

351 (6) No licensee shall engage in any unfair method of
352 competition or unfair or deceptive trade practices in the conduct
353 of making or providing any credit enhancement loans or services to
354 customers pursuant to this chapter or in collecting or attempting
355 to collect any money alleged to be due and owing by a customer.

356 **SECTION 14.** (1) At the time a credit enhancement loan is
357 made available to a customer, the licensee shall deliver to the
358 customer or, if there are two or more customers to such a loan, a
359 copy of a written statement, showing in clear and distinct terms
360 all of the following:



361 (a) The name and address of the licensee and one of the
362 primary obligors on the credit enhancement loan;
363 (b) The date of the contract;
364 (c) A schedule or description of required payments;
365 (d) All applicable interest rates; and
366 (e) Any financial literacy materials available to the
367 customer.

368 (2) At each of its places of business in Mississippi, the
369 licensee shall make readily available to the customer, in a form
370 prescribed by the commissioner, a full and accurate schedule of
371 charges on all credit enhancement loans currently being made
372 available by the licensee.

373 (3) A copy of that schedule required by subsection (2) of
374 this section shall be filed in the office of the commissioner.

375 (4) No licensee shall require the customer to agree to or
376 execute any confession of judgment or power of attorney in favor
377 of any licensee or in favor of any third person, and any
378 confession of judgment or power of attorney taken in violation of
379 this subsection shall be absolutely void.

380 **SECTION 15.** No licensee subject to this chapter shall
381 advertise, display, distribute, telecast, or broadcast or cause or
382 permit to be advertised, displayed, distributed, telecast, or
383 broadcast in any manner whatsoever any false, misleading or
384 deceptive statement or representation with regard to the rates,
385 terms or conditions of credit enhancement loans. The commissioner
386 may require that charges or rates of charge, if stated by a
387 licensee, be stated fully and clearly in any manner that the
388 commissioner deems necessary to prevent misunderstanding by
389 prospective customers. The commissioner may permit or require
390 licensees to refer in their advertising to the fact that their
391 business is under state supervision, subject to any conditions
392 required by the commissioner to prevent an erroneous impression as
393 to the scope or degree of protection provided by this chapter.



394 **SECTION 16.** (1) Each licensee shall maintain all financial
395 books and records directly relating to any credit enhancement
396 loans made or provided under this chapter reasonably required by
397 the commissioner to be kept for two (2) years; and the
398 commissioner, the deputy commissioner or a duly authorized
399 examiner or agent or employee may examine those records at any
400 reasonable time to determine whether the licensee is complying
401 with this chapter and the rules issued to implement this chapter.
402 The required financial books and records may be maintained in any
403 form authorized by the commissioner. The financial books and
404 records of each licensed office shall be clearly segregated. When
405 a licensee maintains its financial books and records outside of
406 Mississippi, the licensee shall make them available for
407 examination at the place where they are maintained and shall pay
408 for all reasonable and necessary expenses incurred by the
409 commissioner in conducting any examination. Where the data
410 processing for any licensee is performed by a person other than
411 the licensee, the licensee shall provide to the commissioner a
412 copy of a binding agreement between the licensee and the data
413 processor which allows the commissioner, the deputy commissioner
414 or a duly authorized examiner or agent or employee to examine that
415 particular data processor's activities pertaining to the licensee
416 to the same extent as if the data processing services were being
417 performed by the licensee on its own premises; and, when billed by
418 the commissioner, the licensee shall reimburse the commissioner
419 for all costs and expenses incurred by the commissioner in an
420 examination under this subsection.

421 (2) Each licensee shall file annually with the commissioner
422 on or before March 31 for the twelve-month period ending the
423 preceding December 31 reports on forms prescribed by the
424 commissioner. These annual reports shall disclose in detail and
425 under appropriate headings any changes in the information
426 contained in the original license application and other



427 information necessary to show that the licensee continues to be in
428 compliance with this chapter. Reports shall be verified by the
429 oath or affirmation of the owner, manager, president, vice
430 president, cashier, secretary or treasurer of the licensee.

431 (3) If a licensee conducts another business or is affiliated
432 with other licensees under this chapter or if any other situation
433 exists under which allocations of expense are necessary, the
434 licensee or licensees shall make that allocation according to
435 appropriate and generally accepted accounting principles.

436 **SECTION 17.** The commissioner may issue all rules it deems
437 necessary in implementing this chapter and in providing for the
438 protection of the borrowing public and the efficient management of
439 licensees under this chapter and to give all necessary
440 instructions to these licensees for the purpose of interpreting
441 this chapter. All licensees under this chapter and their
442 officers, agents, and employees shall comply fully with all of the
443 rules and instructions. When issued, any rule shall be forwarded
444 by mail to each licensee at its licensed place of business at
445 least twenty (20) days prior to the rule's effective date.

446 **SECTION 18.** The commissioner may issue subpoenas and compel
447 attendance of witnesses, administer oaths, conduct hearings and
448 transcribe testimony in making the investigations and conducting
449 the hearings required by this chapter or in the other discharge of
450 his or her duties and give any publicity to his or her
451 investigations and findings as he or she may deem best for the
452 public interest.

453 **SECTION 19.** When the commissioner has reasonable cause,
454 supported by written evidence, to believe that any person is
455 violating or is threatening to violate any provision of this
456 chapter, the commissioner may in addition to all actions provided
457 for in this chapter and without prejudice to those other actions
458 enter an order requiring a person to desist or to refrain from a
459 violation; and an action may be brought in the name of the



460 commissioner to enjoin the person from engaging in or continuing
461 the violation or from doing any act or acts in furtherance of the
462 violation. In any action to desist, an order or judgment may be
463 entered awarding any preliminary or final injunction as may be
464 deemed proper. In addition to all other means provided by law for
465 the enforcement of a restraining order or injunction, the court in
466 which the action is brought may impound and appoint a receiver for
467 the property and business of the defendant, including any books,
468 papers, documents and records that the court deems reasonably
469 necessary to prevent violations of this chapter through or by
470 means of the use of that property and business. The receiver,
471 when appointed and qualified, shall have those powers and duties
472 pertaining to custody, collection, administration, winding up and
473 liquidation of the property and business as shall from time to
474 time be conferred upon him or her by the court.

475 **SECTION 20.** Any person aggrieved by any rule, order or act
476 of the department may appeal to the commissioner for review upon
477 giving notice in writing within sixty (60) days after such rule,
478 order or act is adopted, issued or done. Any aggrieved party to a
479 decision of the department shall be entitled to an appeal pursuant
480 to the Administrative Procedures Act.

481 **SECTION 21.** No credit enhancement loan made after July 1,
482 2008, that is made outside this state in the amount of or the
483 value of Three Thousand Dollars (\$3,000.00) or less for which
484 greater consideration or charges than are authorized by this
485 chapter have been charged, contracted for, or received shall be
486 enforced in this state. This prohibition shall not apply to
487 credit enhancement loans in which contractual activities,
488 including solicitation, discussion, negotiation, offer,
489 acceptance, signing of documents or delivery and receipt of funds
490 occur entirely outside this state.

491 **SECTION 22.** This act shall be codified as a new Chapter 2 in
492 Title 81, Mississippi Code of 1972.



493 **SECTION 23.** This act shall take effect and be in force from
494 and after July 1, 2008.

