

By: Representative Robinson

To: Insurance

HOUSE BILL NO. 777

1 AN ACT TO AMEND SECTION 27-15-85, MISSISSIPPI CODE OF 1972,
2 TO REVISE THE PRIVILEGE LICENSE TAX ON EACH BUSINESS ENTITY ACTING
3 AS AN INSURANCE PRODUCER, LIMITED LINES PRODUCER OR LIMITED LINES
4 CREDIT INSURANCE PRODUCER; TO AMEND SECTION 27-15-87, MISSISSIPPI
5 CODE OF 1972, TO REVISE THE PRIVILEGE LICENSE TAX ON EACH
6 INDIVIDUAL ACTING AS AN INSURANCE PRODUCER, LIMITED LINES PRODUCER
7 OR LIMITED LINES CREDIT INSURANCE PRODUCER; TO AMEND SECTION
8 27-15-89, MISSISSIPPI CODE OF 1972, TO REVISE THE PRIVILEGE
9 LICENSE TAX ON SUPERVISING GENERAL AGENTS AND MANAGING GENERAL
10 AGENTS; TO AMEND SECTION 27-15-91, MISSISSIPPI CODE OF 1972, IN
11 CONFORMITY; TO AMEND SECTION 83-17-1, MISSISSIPPI CODE OF 1972, TO
12 DELETE THE DEFINITION OF THE TERM "INSURANCE SOLICITOR" AND TO
13 REVISE OTHER DEFINITIONS AS THEY RELATE TO INSURANCE PRODUCER
14 LICENSING; TO AMEND SECTION 83-17-25, MISSISSIPPI CODE OF 1972, TO
15 CHANGE THE DURATION OF PRODUCER LICENSE FROM ANNUAL TO BIENNIAL;
16 TO AMEND SECTION 83-17-53, MISSISSIPPI CODE OF 1972, TO CLARIFY
17 THE DEFINITION OF THE TERM "LIMITED LINES INSURANCE"; TO AMEND
18 SECTION 83-17-63, MISSISSIPPI CODE OF 1972, TO AUTHORIZE INSURANCE
19 PRODUCERS TO RECEIVE QUALIFICATION FOR LICENSE IN CAR RENTAL, CROP
20 INSURANCE, SURETY, AND TRAVEL LINES OF INSURANCE; TO AMEND SECTION
21 83-17-251, MISSISSIPPI CODE OF 1972, TO REVISE THE NUMBER OF HOURS
22 OF PRELICENSING EDUCATION REQUIRED FOR EACH LINE OF AUTHORITY AND
23 THE NUMBER OF HOURS OF CONTINUING EDUCATION REQUIRED DURING EACH
24 LICENSURE PERIOD; TO AMEND SECTION 83-17-253, MISSISSIPPI CODE OF
25 1972, TO AUTHORIZE THE COMMISSIONER OF INSURANCE TO ESTABLISH
26 STANDARDS RELATING TO PRELICENSING AND CONTINUING EDUCATION
27 COURSES; TO AMEND SECTION 83-17-255, MISSISSIPPI CODE OF 1972, TO
28 REVISE THE MEMBERSHIP OF THE PRELICENSING AND CONTINUING
29 EDUCATIONAL ADVISORY COMMITTEE; TO AMEND SECTION 83-17-257,
30 MISSISSIPPI CODE OF 1972, TO REQUIRE EDUCATIONAL PROVIDERS TO
31 SUBMIT PROOF OF ATTENDEE'S SUCCESSFUL COMPLETION OF EDUCATIONAL
32 PROGRAMS TO THE COMMISSIONER IN AN ELECTRONIC FORMAT WITHIN A
33 CERTAIN PERIOD OF TIME; TO AMEND SECTION 83-21-19, MISSISSIPPI
34 CODE OF 1972, TO CONFORM TO THE PROVISIONS OF THIS ACT; TO REPEAL
35 SECTION 27-15-93, MISSISSIPPI CODE OF 1972, WHICH PROVIDES A
36 PRIVILEGE TAX ON INCORPORATED LIFE, HEALTH OR ACCIDENT INSURANCE
37 AGENCIES, INCORPORATED SUPERVISING GENERAL AGENTS AND LIFE
38 INSURANCE AGENTS; TO REPEAL SECTION 27-15-95, MISSISSIPPI CODE OF
39 1972, WHICH PROVIDES A PRIVILEGE TAX UPON EACH PERSON, OTHER THAN
40 AN INCORPORATED INSURANCE AGENCY WRITING HEALTH AND ACCIDENT, OR
41 INDUSTRIAL LIFE INSURANCE; TO REPEAL SECTION 27-15-99, MISSISSIPPI
42 CODE OF 1972, WHICH PROVIDES A PRIVILEGE TAX UPON EACH PERSON
43 WRITING EXCLUSIVELY LAND TITLE INSURANCE; TO REPEAL SECTION
44 83-17-43, MISSISSIPPI CODE OF 1972, WHICH REQUIRES ALL INSURANCE
45 SOLICITORS TO FILE WITH THE COMMISSIONER OF INSURANCE AN
46 APPLICATION FOR CERTIFICATE OF APPOINTMENT AS SOLICITOR; TO AMEND



47 SECTIONS 27-15-101, 83-17-61 AND 83-17-65, MISSISSIPPI CODE OF
48 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

50 **SECTION 1.** Section 27-15-85, Mississippi Code of 1972, is
51 amended as follows:

52 27-15-85. (1) Upon each business entity, as defined in
53 Section 83-17-53, acting as an insurance producer, limited lines
54 producer or limited lines credit insurance producer.....\$200.00.

55 * * *

56 Every individual acting as an insurance producer, limited
57 lines producer, limited lines credit insurance producer,
58 supervising general agent or managing general agent for a business
59 entity shall meet all requirements set forth in Title 83 and no
60 individual shall be exempt from the privilege tax placed on him by
61 this chapter.

62 (2) Upon each business entity, as defined in Section
63 83-17-53, acting as an insurance producer, limited lines producer
64 or limited lines credit insurance producer that amends its
65 privilege license by adding or deleting a line of authority or for
66 the issuance of a duplicate license.....\$ 50.00.

67 * * *

68 **SECTION 2.** Section 27-15-87, Mississippi Code of 1972, is
69 amended as follows:

70 27-15-87. (1) Upon each individual acting as an insurance
71 producer, limited lines producer, limited lines credit insurance
72 producer.....\$100.00.

73 (2) Upon each individual acting as an insurance producer,
74 limited lines producer or limited lines credit insurance producer
75 that amends its privilege license by adding or removing a line of
76 authority or for the issuance of a duplicate license..... \$ 25.00.

77 * * *

78 **SECTION 3.** Section 27-15-89, Mississippi Code of 1972, is
79 amended as follows:



80 27-15-89. (1) Upon each supervising general agent as
81 defined in Section 83-17-1.....\$100.00.

82 (2) Upon each managing general agent as defined in Section
83 83-18-103.....\$100.00.

84 * * *

85 The privilege licenses issued under this section to
86 "supervising general agents" shall not constitute authority to
87 solicit business within the State of Mississippi, and shall be
88 renewed annually at the time and in the manner prescribed by
89 Section 83-17-25 on application forms which shall be furnished by
90 the Commissioner of Insurance and shall show the name of the
91 insurance company or companies such "supervising general agent"
92 represents, and other additional information as may be required by
93 the Commissioner of Insurance.

94 **SECTION 4.** Section 27-15-91, Mississippi Code of 1972, is
95 amended as follows:

96 27-15-91. When any person, firm, corporation or solicitor
97 pays a tax required under Sections 27-15-85, 27-15-87 and
98 27-15-89, the license so issued shall state the type, types or
99 kinds of insurance such licensee is permitted and qualified to
100 engage in. Whenever there is no specific privilege license tax
101 levied against insurance agents not otherwise classified in this
102 statute, same shall be issued under Sections 27-15-85, 27-15-87,
103 27-15-89, and this section, and shall state the type, types or
104 kinds of insurance the licensee is licensed and qualified to
105 engage in.

106 **SECTION 5.** Section 83-17-1, Mississippi Code of 1972, is
107 amended as follows:

108 83-17-1. Whenever used in this chapter, the following words
109 shall have the meanings ascribed herein unless the context clearly
110 indicates otherwise:

111 (a) "Agent" means an insurance producer as defined in
112 this section.



113 * * *

114 (b) "Nonactive agent" means an individual who is
115 retired, disabled or has not obtained from the Commissioner of
116 Insurance a current continuous certificate. A nonactive agent
117 shall not solicit new business or service existing businesses, but
118 may receive renewal commissions.

119 (c) "Supervising general agent" refers to and includes
120 any person, partnership, association or corporation having
121 authority to serve as trustees, managers or administrators, except
122 attorneys at law, for such licensed insurance companies or their
123 insureds in the handling of insurance programs underwritten by
124 such licensed insurance companies, or in which they may be
125 participating.

126 (d) "Excess risk" means all or any portion of an
127 insurance risk or contract of annuity for which application is
128 made to an agent and which exceeds the amount of insurance or
129 annuity which will be provided by the insurer for which such agent
130 is licensed.

131 (e) "Rejected risk" means an insurance risk or annuity
132 contract for which application has been made to an agent and which
133 insurance or annuity contract is declined by the insurer for which
134 such agent is licensed.

135 (f) "Insurance producer" means a person required to be
136 licensed under the laws of this state to sell, solicit or
137 negotiate insurance.

138 (g) "Commissioner" means the Commissioner of Insurance
139 of the State of Mississippi.

140 (h) "Controlled business" means policies of insurance
141 to be issued to a producer, agent * * * or to his relatives,
142 business associates, employers or employees, or in which they or
143 either of them have an interest. No license shall be granted or
144 renewed to any agent or producer until the applicant certifies
145 with the Commissioner of Insurance that the applicant shall in



146 good faith engage in the insurance business as agent or
147 producer * * *, and that he is not seeking a license for the
148 purpose of acquiring or saving commissions, premiums or other
149 valuable considerations on "controlled business." A violation of
150 this paragraph shall be deemed to be probable if the commissioner
151 finds that during any twenty-four-month period aggregate
152 commissions or other compensations accruing in favor of the
153 applicant with respect to his own interests or those of his
154 family, relatives, employers, employees or business associates, as
155 provided herein, have exceeded or will exceed thirty-five percent
156 (35%) of the aggregate amount of commissions accruing to him as
157 agent or his agency during such period of time. Nothing herein
158 contained shall prohibit the licensing under a limited license as
159 to motor vehicle physical damage insurance, any person employed by
160 or associated with a motor vehicle sales agency with respect to
161 insurance on a motor vehicle sold, serviced or financed by it.
162 Whenever employment is terminated of any such person employed by
163 or associated with any such agency, the Commissioner of Insurance
164 shall be notified, and the license shall be cancelled immediately.
165 It is further provided that the provisions of this paragraph
166 likewise shall not apply with respect to sales of insurance by a
167 lender or its affiliate covering the insurable interest of the
168 lender.

169 **SECTION 6.** Section 83-17-25, Mississippi Code of 1972, is
170 amended as follows:

171 83-17-25. No certificate of authority shall be issued to any
172 agent who has not previously obtained from the commissioner a
173 privilege license to act as an insurance agent; provided that
174 agents or organizers of fraternal orders shall not be required to
175 have such privilege license. * * *

176 The privilege licenses and filing fees required of life
177 insurance companies, health and accident insurance companies,
178 hospital insurance companies and fraternal insurance



179 companies, * * * shall continue for the next ensuing twelve (12)
180 months after January 1 of each year.

181 The privilege licenses and filing fees required of fire,
182 casualty, liability, fidelity, surety, guaranty, inland marine,
183 plate glass and title insurance companies shall continue for the
184 next ensuing twelve (12) months after June 1 of each year.

185 The privilege license of an individual to act as an insurance
186 producer, limited lines producer, limited lines credit insurance
187 producer, supervising general agent or managing general agent
188 shall continue from the date of issuance of original licenses or
189 from the expiration date for existing licenses until the last day
190 of the month of the licensee's birthday in the second year
191 following issuance or renewal of the license, with a minimum term
192 of thirteen (13) months.

193 The privilege license of a business entity to act as
194 insurance producer, limited lines producer, limited lines credit
195 insurance producer, supervising general agent or managing general
196 agent shall continue from the date of issuance until May 31 in the
197 second year following issuance or renewal of the license, with a
198 minimum term of thirteen (13) months.

199 **SECTION 7.** Section 83-17-53, Mississippi Code of 1972, is
200 amended as follows:

201 83-17-53. The following words and phrases shall have the
202 meanings ascribed herein unless the context clearly indicates
203 otherwise:

204 (a) "Business entity" means a corporation, association,
205 partnership, limited liability company, limited liability
206 partnership or other legal entity.

207 (b) "Commissioner" means the Commissioner of Insurance.

208 (c) "Home state" means the District of Columbia and any
209 state or territory of the United States in which an insurance
210 producer maintains his or her principal place of residence or



211 principal place of business and is licensed to act as an insurance
212 producer.

213 (d) "Insurance" means any of the lines of authority in
214 Section 83-19-1.

215 (e) "Insurance producer" means a person required to be
216 licensed under the laws of this state to sell, solicit or
217 negotiate insurance.

218 (f) "Insurer" means that as defined in Section 83-6-1.

219 (g) "License" means a document issued by the
220 commissioner authorizing a person to act as an insurance producer
221 for the lines of authority specified in the document. The license
222 itself does not create any authority, actual, apparent or
223 inherent, in the holder to represent or commit an insurance
224 carrier.

225 (h) "Limited line credit insurance" includes credit
226 life, credit disability, credit property, credit unemployment,
227 involuntary unemployment, mortgage life, mortgage guaranty,
228 mortgage disability, guaranteed automobile protection (gap)
229 insurance and any other form of insurance offered in connection
230 with an extension of credit that is limited to partially or wholly
231 extinguishing that credit obligation that the commissioner
232 determines should be designated a form of limited line credit
233 insurance.

234 (i) "Limited line credit insurance producer" means a
235 person who sells, solicits or negotiates one or more forms of
236 limited line credit insurance coverage to individuals through a
237 master, corporate, group or individual policy.

238 (j) "Limited lines insurance" means those lines of
239 insurance defined in Section 83-19-1, Class 1(b), (e), (p) and (q)
240 and Section 83-19-1, Class 2(d), Section 83-17-63 (1)(h), (i),
241 (j), (k) or any other line of insurance that the commissioner
242 deems necessary to recognize for the purposes of complying with
243 Section 83-17-65(5).



244 (k) "Limited lines producer" means a person authorized
245 by the commissioner to sell, solicit or negotiate limited lines
246 insurance.

247 (l) "Negotiate" means the act of conferring directly
248 with or offering advice directly to a purchaser or prospective
249 purchaser of a particular contract of insurance concerning any of
250 the substantive benefits, terms or conditions of the contract, if
251 the person engaged in that act either sells insurance or obtains
252 insurance from insurers for purchasers.

253 (m) "Person" means an individual or a business entity.

254 (n) "Sell" means to exchange a contract of insurance by
255 any means, for money or its equivalent, on behalf of an insurance
256 company.

257 (o) "Solicit" means attempting to sell insurance or
258 asking or urging a person to apply for a particular kind of
259 insurance from a particular company.

260 (p) "Terminate" means the cancellation of the
261 relationship between an insurance producer and the insurer or the
262 termination of a producer's authority to transact insurance.

263 (q) "Uniform business entity application" means the
264 current version of the NAIC uniform business entity application
265 for resident and nonresident business entities.

266 (r) "Uniform application" means the current version of
267 the NAIC uniform application for resident and nonresident producer
268 licensing.

269 **SECTION 8.** Section 83-17-63, Mississippi Code of 1972, is
270 amended as follows:

271 83-17-63. (1) Unless denied licensure under Section
272 83-17-71, persons who have met the requirements of Sections
273 83-17-59 and 83-17-61, shall be issued an insurance producer
274 license. An insurance producer may receive qualification for a
275 license in one or more of the following lines of authority:



276 (a) Life: insurance coverage on human lives including
277 benefits of endowment and annuities and may include benefits in
278 the event of death or dismemberment by accident and benefits for
279 disability income.

280 (b) Accident and health or sickness: insurance
281 coverage for sickness, bodily injury or accidental death and may
282 include benefits for disability income.

283 (c) Property: insurance coverage for the direct or
284 consequential loss or damage to property of every kind.

285 (d) Casualty: insurance coverage against legal
286 liability, including that for death, injury or disability or
287 damage to real or personal property.

288 (e) Variable life and variable annuity products:
289 insurance coverage provided under variable life insurance
290 contracts and variable annuities.

291 (f) Personal lines: property and casualty insurance
292 coverage sold to individuals and families for primarily
293 noncommercial purposes.

294 (g) Credit: limited line credit insurance.

295 (h) Car rental: limited line insurance offered, sold
296 or solicited in connection with and incidental to the rental of
297 rental cars, whether at the rental office or preselection of
298 coverage in master, corporate or individual agreements that is
299 nontransferrable, applies only to the rental car that is subject
300 of the rental agreement and is limited to the following kinds of
301 insurance:

302 (i) Personal accident insurance for renters and
303 other rental car occupants, for accidental death or dismemberment,
304 and for medical expenses resulting from an accident that occurs
305 with the rental car during the rental period;

306 (ii) Liability insurance that provides protection
307 to the renters and other authorized drivers of a rental car for



308 liability arising from the operation or use of the rental car
309 during the rental period;

310 (iii) Personal effects insurance that provides
311 coverage to renters and other vehicle occupants for loss of, or
312 damage to, personal effects in the rental car during the rental
313 period;

314 (iv) Roadside assistance and emergency sickness
315 protection insurance; or

316 (v) Any other coverage designated by the
317 Commissioner of Insurance.

318 (i) Crop insurance: limited line insurance providing
319 protection against damage to crops from unfavorable weather
320 conditions, fire or lightning, flood, hail, insect infestation,
321 disease or other yield-reducing conditions or perils provided by
322 the private insurance market, or that is subsidized by the Federal
323 Crop Insurance Corporation, including Multi-Peril Crop Insurance.

324 (j) Surety: limited line insurance or bond that covers
325 obligations to pay the debts of, or answer for the default of
326 another, including faithlessness in a position of public or
327 private trust. For purpose of limited line licensing, Surety does
328 not include Surety Bail Bonds.

329 (k) Travel: limited line insurance coverage for trip
330 cancellation, trip interruption, baggage, life, sickness and
331 accident, disability and personal effects when limited to a
332 specific trip and sold in connection with transportation provided
333 by a common carrier.

334 (l) Any other line of insurance permitted under state
335 laws or regulations.

336 (2) An insurance producer license shall remain in effect
337 unless revoked or suspended as long as the fee set forth in
338 Section 27-15-87 * * * is paid and education requirements for
339 resident individual producers are met by the due date.



340 (3) An individual insurance producer who allows his or her
341 license to lapse may, within twelve (12) months from the due date
342 of the renewal fee, reinstate the same license without the
343 necessity of passing a written examination. The penalty for such
344 late renewal shall be in compliance with Section 27-15-215.

345 (4) A licensed insurance producer who is unable to comply
346 with license renewal procedures due to military service or some
347 other extenuating circumstances, including, but not limited to, a
348 long-term medical disability may request a waiver of those
349 procedures. The producer may also request a waiver of any
350 examination requirement or any other fine or sanction imposed for
351 failure to comply with renewal procedures.

352 (5) The license shall contain the licensee's name, address,
353 personal identification number and the date of issuance, the lines
354 of authority, the expiration date and any other information the
355 commissioner deems necessary.

356 (6) Licensees shall inform the commissioner by any means
357 acceptable to the commissioner of a change of address within
358 thirty (30) days of the change. Failure to timely inform the
359 commissioner of a change in legal name or address shall result in
360 a penalty under Section 83-17-71.

361 (7) In order to assist in the performance of the
362 commissioner's duties, the commissioner may contract with
363 nongovernmental entities, including the National Association of
364 Insurance Commissioners (NAIC) or any affiliates or subsidiaries
365 that the NAIC oversees, to perform any ministerial functions,
366 including the collection of fees, related to producer licensing
367 that the commissioner and the nongovernmental entity may deem
368 appropriate.

369 **SECTION 9.** Section 83-17-251, Mississippi Code of 1972, is
370 amended as follows:

371 83-17-251. (1) Every individual seeking to be licensed as
372 an insurance producer in the State of Mississippi, as a condition



373 of issuance of an original license, must furnish the Commissioner
374 of Insurance certification on a form prescribed by the
375 commissioner that he or she has completed an approved prelicensing
376 course of study for the line of insurance requested.

377 (2) The prelicensing course of study hours shall consist of
378 twenty (20) hours of approved prelicensing education courses per
379 line of authority. The Commissioner of Insurance shall determine
380 the content requirements for each prelicensing course of study.
381 The prelicensing educational requirements of this section shall
382 not apply to:

383 (a) An individual that is exempt from taking the
384 written examination as provided in Section 83-17-39(1) and Section
385 83-17-67.

386 (b) An individual who has received a bachelor's degree
387 with major course work in insurance from an accredited institution
388 of higher learning.

389 (c) An individual holding a current and valid CEBS,
390 CHFC, CIC, CFP, CLU, FLMI, LUTCF designation is exempt for the
391 life line of authority.

392 (d) An individual holding a current and valid RHU,
393 CEBS, REBC, HIA designation is exempt for the accident and health
394 or sickness line of authority.

395 (e) An individual holding a current and valid AAI, ARM,
396 CIC, CPCU designation is exempt for the property and casualty
397 lines of authority.

398 (f) Limited lines insurance producer and limited lines
399 credit insurance producer as defined in Section 83-17-53.

400 (g) An individual that is seeking licensure for the
401 variable life and variable annuity products line of authority
402 only.

403 (3) Every individual seeking * * * renewal of an insurance
404 producer license, which has been in effect for a term of eighteen
405 (18) months or less shall satisfactorily complete twelve (12)



406 hours of study in approved continuing education courses. Every
407 individual seeking renewal of an insurance producer license, which
408 has been in effect for a term of more than eighteen (18) months
409 shall satisfactorily complete twenty-four (24) hours of study in
410 approved continuing education courses, of which three (3) hours
411 shall have a course concentration in ethics.

412 (4) The continuing educational requirements of this section
413 shall not apply to:

414 (a) Any individual that is exempt from taking the
415 written examination as provided in Section 83-17-39(1)(b), (c),
416 (e) and (g);

417 (b) Any limited lines producer or limited lines credit
418 insurance producer;

419 (c) A person not a resident of this state who meets the
420 continuing educational requirement in the state in which such
421 person resides and Mississippi has a reciprocal agreement with
422 that state; or

423 (d) Nonactive agents as defined in Section 83-17-1.

424 **SECTION 10.** Section 83-17-253, Mississippi Code of 1972, is
425 amended as follows:

426 83-17-253. (1) To qualify for credit towards satisfaction
427 of the requirements of this section, an educational program must
428 be a formal program of learning which contributes directly to the
429 professional competence of the licensee and such program must meet
430 the standards outlined herein for prelicensing educational and
431 continuing educational programs. The subject of each course must
432 be approved for the lines of insurance for which the licensee is
433 granted educational credit.

434 (2) Formal programs requiring attendance or self-study may
435 be considered for credit if the required fees are paid and they
436 meet the standards set forth by the commissioner. Course approval
437 shall be valid for twenty-four (24) months from the date of
438 issuance of approval.



439 * * *

440 (3) Continuing educational credit shall be allowed for
441 service as an instructor of certified programs at any program for
442 which participants are eligible to receive continuing educational
443 credit. Credit for such service shall be awarded on the first
444 presentation only unless a program has been substantially revised.

445 (4) Courses for prelicensing and continuing educational
446 credit shall not be advertised or offered unless they have been
447 approved by the commissioner or his designated advisory committee.

448 (5) The commissioner may grant exceptions to the
449 requirements of this article for extenuating circumstances.

450 * * *

451 (6) The commissioner specifically reserves the right to
452 approve or disapprove credit for prelicensing education and
453 continuing education claimed under this section.

454 (7) The Commissioner of Insurance may require any original
455 publisher or provider to submit all material to be used in his or
456 her program to the Department of Insurance or his designee for
457 review.

458 (8) All providers shall maintain a record of persons
459 attending each course for not less than five (5) years and shall
460 provide certificates of completion with hours earned to students
461 upon their successful completion of each course. The certificate
462 shall bear the course identification number as assigned by the
463 Commissioner of Insurance or his designee.

464 (9) The Commissioner of Insurance may, in his discretion,
465 designate an independent evaluation educational service to
466 evaluate and administer education programs, subject to his
467 direction and approval. The evaluation fee charged by such
468 educational service shall be paid by the applicant to the service.

469 **SECTION 11.** Section 83-17-255, Mississippi Code of 1972, is
470 amended as follows:



471 83-17-255. (1) A prelicensing and continuing educational
472 advisory committee, comprised of at least three (3) but not more
473 than seven (7) individuals, may be appointed by and shall serve at
474 the pleasure of the Commissioner of Insurance to advise the
475 commissioner concerning prelicensing and continuing educational
476 standards. Each committee member shall agree to serve a minimum
477 of two (2) years. The chairman of the committee shall be
478 appointed by and shall serve at the pleasure of the commissioner.

479 (2) A majority of those present at any meeting of the
480 educational advisory committee shall be a quorum for purposes of
481 performing the duties of the committee under this section.

482 (3) The committee may advise the commissioner on program
483 content and exceptions as permitted under this section.

484 (4) The committee shall be available to consider other
485 related matters as the commissioner may assign.

486 **SECTION 12.** Section 83-17-257, Mississippi Code of 1972, is
487 amended as follows:

488 83-17-257. (1) Educational providers shall submit proof of
489 each attendee's successful completion of approved prelicensing and
490 continuing educational programs to the Commissioner of Insurance
491 in an electronic format approved by the commissioner within thirty
492 (30) days of the course completion.

493 (2) The commissioner may grant exceptions to the
494 requirements of this section for reasonable and just causes.

495 (3) The responsibility for establishing whether a particular
496 course or other program for which credit is claimed is acceptable
497 and meets the continuing educational requirements as set forth in
498 this section rests solely on the licensee.

499 **SECTION 13.** Section 83-21-19, Mississippi Code of 1972, is
500 amended as follows:

501 83-21-19. The Commissioner of Insurance, upon the biennial
502 payment of a fee of One Hundred Dollars (\$100.00), may issue to a
503 licensed resident or nonresident agent (based on a reciprocal



504 agreement with the state of the nonresident agent), who is
505 regularly commissioned to represent two (2) or more fire, marine,
506 casualty or surety insurance companies licensed to do business in
507 the state, a privilege license to place kinds of direct insurance
508 affected hereby, to be evidenced by policies of insurance or
509 certificates of insurance, in eligible nonadmitted insurers
510 authorized to do business in this state. The privilege license
511 shall continue from the date of issuance until the last day of the
512 month of the licensee's birthday in the second year following
513 issuance or renewal of the license, with a minimum term of twelve
514 (12) months. Every insurance contract procured and delivered
515 pursuant to Sections 83-21-17 through 83-21-31 shall have stamped
516 upon it in bold ten-point type, and bear the name of the agent who
517 procured it, the following: "NOTE: This insurance policy is
518 issued pursuant to Mississippi law covering surplus lines
519 insurance. The company issuing the policy is not licensed by the
520 State of Mississippi, but is authorized to do business in
521 Mississippi as a nonadmitted company. The policy is not protected
522 by the Mississippi Insurance Guaranty Association in the event of
523 the insurer's insolvency." No diminution of the license fee
524 herein provided shall occur as to any license effective after
525 January 1 of any year. The Commissioner of Insurance may require
526 written application for such license.

527 **SECTION 14.** Section 27-15-93, Mississippi Code of 1972,
528 which provides a tax on incorporated life, health or accident
529 insurance agencies, incorporated supervising general agents and
530 life insurance agents, is hereby repealed.

531 **SECTION 15.** Section 27-15-95, Mississippi Code of 1972,
532 which provides a tax upon each person, other than an incorporated
533 insurance agency writing health and accident, or industrial life
534 insurance, is hereby repealed.



535 **SECTION 16.** Section 27-15-99, Mississippi Code of 1972,
536 which provides a tax upon each person writing exclusively land
537 title insurance, is hereby repealed.

538 **SECTION 17.** Section 83-17-43, Mississippi Code of 1972,
539 which requires all insurance solicitors to file with the
540 Commissioner of Insurance an application for certificate of
541 appointment as solicitor, is hereby repealed.

542 **SECTION 18.** Section 27-15-101, Mississippi Code of 1972, is
543 amended as follows:

544 27-15-101. All taxes, fees or licenses charged and imposed
545 by Sections 27-15-81 through 27-15-97 shall be collected by the
546 Commissioner of Insurance as provided in this chapter, and if not
547 paid as provided by law, penalty shall be imposed as in other
548 cases of failure to pay privilege licenses; no license required by
549 such sections shall be prorated. The form of license and the form
550 of application to be made therefor shall be prescribed by the
551 Commissioner of Insurance.

552 **SECTION 19.** Section 83-17-61, Mississippi Code of 1972, is
553 amended as follows:

554 83-17-61. (1) A person applying for a resident insurance
555 producer license shall make application to the commissioner on the
556 uniform application and declare under penalty of refusal,
557 suspension or revocation of the license that the statements made
558 in the application are true, correct and complete to the best of
559 the individual's knowledge and belief. Before approving the
560 application, the commissioner shall find that the individual:

561 (a) Is at least eighteen (18) years of age;

562 (b) Has not committed any act that is a ground for
563 denial, suspension or revocation set forth in Section 83-17-71;

564 (c) Where required by the commissioner, has completed a
565 prelicensing course of study for the lines of authority for which
566 the person has applied;



567 (d) Has paid the fees set forth in Section
568 27-15-87 * * *; and

569 (e) Has successfully passed the examinations for the
570 liens of authority for which the person has applied.

571 (2) A business entity acting as an insurance producer is
572 required to obtain an insurance producer license. Application
573 shall be made using the uniform business entity application.
574 Before approving the application, the commissioner shall find
575 that:

576 (a) The business entity has paid the fees set forth in
577 Section 27-15-85 * * *; and

578 (b) The business entity has designated a licensed
579 producer responsible for the business entity's compliance with the
580 insurance laws, rules and regulations of this state.

581 (3) The commissioner may require any documents reasonably
582 necessary to verify the information contained in an application.

583 (4) Each insurer that sells, solicits or negotiates any form
584 of limited line credit insurance shall provide to each individual
585 whose duties include selling, soliciting or negotiating limited
586 line credit insurance a program of instruction that may be
587 approved by the commissioner.

588 **SECTION 20.** Section 83-17-65, Mississippi Code of 1972, is
589 amended as follows:

590 83-17-65. (1) Unless denied licensure pursuant to Section
591 83-17-71, a nonresident person shall receive a nonresident
592 producer license if:

593 (a) The person is currently licensed as a resident and
594 is in good standing in his or her home state;

595 (b) The person has submitted the proper request for
596 licensure and has paid the fees required by Section
597 27-15-87 * * *;

598 (c) The person has submitted or transmitted to the
599 commissioner the application for licensure that the person



600 submitted to his or her home state, or a completed uniform
601 application; and

602 (d) The person's home state awards nonresident producer
603 licenses to residents of this state on the same basis.

604 (2) The commissioner may verify the producer's licensing
605 status through the producer database maintained by the National
606 Association of Insurance Commissioners, its affiliates or
607 subsidiaries.

608 (3) A nonresident producer who moves from one state to
609 another state or a resident producer who moves from this state to
610 another state shall file a change of address and provide
611 certification from the new resident state within thirty (30) days
612 of the change of legal residence. No fee or license application
613 is required.

614 (4) Notwithstanding any other provision of this article, a
615 person licensed as a surplus lines producer in his or her home
616 state shall receive a nonresident surplus lines producer license
617 in accordance with subsection (1) of this section. Except as to
618 subsection (1) of this section, nothing in this section otherwise
619 amends or supercedes any provision of Sections 83-21-17 through
620 83-21-31.

621 (5) Notwithstanding any other provision of this article, a
622 person licensed as a limited line credit insurance or other type
623 of limited lines producer in his or her home state shall receive a
624 nonresident limited lines producer license in accordance with
625 subsection (1) of this section, granting the same scope of
626 authority as granted under the license issued by the producer's
627 home state. For the purposes of this subsection, limited line
628 insurance is any authority granted by the home state which
629 restricts the authority of the license to less than the total
630 authority prescribed in the associated major lines under Section
631 83-17-63(1) (a) through (f).



632 **SECTION 21.** This act shall take effect and be in force from
633 and after November 1, 2009.

