

By: Senator(s) Clarke

To: Finance

SENATE BILL NO. 2420

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, IN CONFORMITY; TO REPEAL 27-15-93, MISSISSIPPI CODE
35 OF 1972, WHICH PROVIDES A PRIVILEGE TAX ON INCORPORATED LIFE,
36 HEALTH OR ACCIDENT INSURANCE AGENCIES, INCORPORATED SUPERVISING
37 GENERAL AGENTS AND LIFE INSURANCE AGENTS; TO REPEAL SECTION
38 27-15-95, MISSISSIPPI CODE OF 1972, WHICH PROVIDES A PRIVILEGE TAX
39 UPON EACH PERSON, OTHER THAN AN INCORPORATED INSURANCE AGENCY
40 WRITING HEALTH AND ACCIDENT, OR INDUSTRIAL LIFE INSURANCE; TO
41 REPEAL SECTION 27-15-99, MISSISSIPPI CODE OF 1972, WHICH PROVIDES
42 A PRIVILEGE TAX UPON EACH PERSON WRITING EXCLUSIVELY LAND TITLE
43 INSURANCE; TO REPEAL SECTION 83-17-43, MISSISSIPPI CODE OF 1972,
44 WHICH REQUIRES ALL INSURANCE SOLICITORS TO FILE WITH THE
45 COMMISSIONER OF INSURANCE AN APPLICATION FOR CERTIFICATE OF
46 APPOINTMENT AS SOLICITOR; AND FOR RELATED PURPOSES.

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

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



50 27-15-85. (1) Upon each business entity, as defined in
51 Section 83-17-53, acting as an insurance producer, limited lines
52 producer or limited lines credit insurance producer.....\$200.00.

53 * * *

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

60 (2) Upon each business entity, as defined in Section
61 83-17-53, acting as an insurance producer, limited lines producer
62 or limited lines credit insurance producer which amends its
63 privilege license by adding or deleting a line of authority or for
64 the issuance of a duplicate license.....\$ 50.00.

65 * * *

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

68 27-15-87. (1) Upon each individual acting as an insurance
69 producer, limited lines producer, limited lines credit insurance
70 producer.....\$100.00.

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

75 * * *

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

78 27-15-89. (1) Upon each supervising general agent as
79 defined in Section 83-17-1.....\$100.00.

80 (2) Upon each managing general agent as defined in Section
81 83-18-103.....\$100.00.

82 * * *



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

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

94 27-15-91. When any person, firm, corporation or solicitor
95 pays a tax required under Sections 27-15-85, 27-15-87 and
96 27-15-89, the license so issued shall state the type, types or
97 kinds of insurance such licensee is permitted and qualified to
98 engage in. Whenever there is no specific privilege license tax
99 levied against insurance agents not otherwise classified in this
100 statute, same shall be issued under Sections 27-15-85, 27-15-87,
101 27-15-89, and this section, and shall state the type, types or
102 kinds of insurance the licensee is licensed and qualified to
103 engage in.

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

106 83-17-1. Whenever used in this chapter, the following words
107 shall have the meanings ascribed herein unless the context clearly
108 indicates otherwise:

109 (a) "Agent" means an insurance producer as defined in
110 this section.

111 * * *

112 (b) "Nonactive agent" means an individual who is
113 retired, disabled or has not obtained from the Commissioner of
114 Insurance a current continuous certificate. An inactive agent



115 shall not solicit new business or service existing businesses, but
116 may receive renewal commissions.

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

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

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

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

136 (g) "Commissioner" means the Commissioner of Insurance
137 of the State of Mississippi.

138 (h) "Controlled business" means policies of insurance
139 to be issued to a producer, agent * * * or to his relatives,
140 business associates, employers or employees, or in which they or
141 either of them have an interest. No license shall be granted or
142 renewed to any agent or producer until the applicant certifies
143 with the Commissioner of Insurance that the applicant shall in
144 good faith engage in the insurance business as agent or
145 producer * * *, and that he is not seeking a license for the
146 purpose of acquiring or saving commissions, premiums or other
147 valuable considerations on "controlled business." A violation of



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

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

169 83-17-25. No certificate of authority shall be issued to any
170 agent who has not previously obtained from the commissioner a
171 privilege license to act as an insurance agent; provided that
172 agents or organizers of fraternal orders shall not be required to
173 have such privilege license. * * *

174 The privilege licenses and filing fees required of life
175 insurance companies, health and accident insurance companies,
176 hospital insurance companies and fraternal insurance
177 companies, * * * shall continue for the next ensuing twelve (12)
178 months after January 1 of each year.

179 The privilege licenses and filing fees required of fire,
180 casualty, liability, fidelity, surety, guaranty, inland marine,



181 plate glass and title insurance companies shall continue for the
182 next ensuing twelve (12) months after June 1 of each year.

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

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

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

199 83-17-53. The following words and phrases shall have the
200 meanings ascribed herein unless the context clearly indicates
201 otherwise:

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

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

206 (c) "Home state" means the District of Columbia and any
207 state or territory of the United States in which an insurance
208 producer maintains his or her principal place of residence or
209 principal place of business and is licensed to act as an insurance
210 producer.

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



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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

269 83-17-63. (1) Unless denied licensure under Section
270 83-17-71, persons who have met the requirements of Sections
271 83-17-59 and 83-17-61, shall be issued an insurance producer
272 license. An insurance producer may receive qualification for a
273 license in one or more of the following lines of authority:

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



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

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

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

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

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

292 (g) Credit: limited line credit insurance.

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

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

304 (ii) Liability insurance that provides protection
305 to the renters and other authorized drivers of a rental car for
306 liability arising from the operation or use of the rental car
307 during the rental period;

308 (iii) Personal effects insurance that provides
309 coverage to renters and other vehicle occupants for loss of, or



310 damage to, personal effects in the rental car during the rental
311 period;

312 (iv) Roadside assistance and emergency sickness
313 protection insurance; or

314 (v) Any other coverage designated by the
315 Commissioner of Insurance.

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

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

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

332 (l) Any other line of insurance permitted under state
333 laws or regulations.

334 (2) An insurance producer license shall remain in effect
335 unless revoked or suspended as long as the fee set forth in
336 Sections 27-15-87 and 27-15-93 is paid and education requirements
337 for resident individual producers are met by the due date.

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



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

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

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

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

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

369 83-17-251. (1) Every individual seeking to be licensed
370 as * * * an insurance producer in the State of Mississippi, as a
371 condition of issuance of an original license, must furnish the
372 Commissioner of Insurance certification on a form prescribed by
373 the commissioner that he or she has completed an approved
374 prelicensing course of study for the line of insurance requested.



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

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

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

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

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

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

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

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

401 (3) Every individual seeking renewal of an insurance
402 producer license, which has been in effect for a term of eighteen
403 (18) months or less shall satisfactorily complete twelve (12)
404 hours of study in approved continuing education courses. Every
405 individual seeking renewal of an insurance producer license, which
406 has been in effect for a term of more than eighteen (18) months
407 shall satisfactorily complete twenty-four (24) hours of study in



408 approved continuing education courses, of which three (3) hours
409 shall have a course concentration in ethics.

410 (4) The continuing educational requirements of this section
411 shall not apply to:

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

415 (b) Any limited lines producer or limited lines credit
416 insurance producer;

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

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

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

424 83-17-253. (1) To qualify for credit towards satisfaction
425 of the requirements of this section, an educational program must
426 be a formal program of learning which contributes directly to the
427 professional competence of the licensee and such program must meet
428 the standards outlined herein for prelicensing educational and
429 continuing educational programs. The subject of each course must
430 be approved for the lines of insurance for which the licensee is
431 granted educational credit.

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

437 * * *

438 (3) Continuing educational credit shall be allowed for
439 service as an instructor of certified programs at any program for
440 which participants are eligible to receive continuing educational



441 credit. Credit for such service shall be awarded on the first
442 presentation only unless a program has been substantially revised.

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

446 (5) The commissioner may grant exception to the requirements
447 of this article for extenuating circumstances.

448 * * *

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

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

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

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

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

469 83-17-255. (1) A prelicensing and continuing educational
470 advisory committee, comprised of at least three (3) but not more
471 than seven (7) individuals * * *, may be appointed by and shall
472 serve at the pleasure of the Commissioner of Insurance to advise
473 the commissioner concerning prelicensing and continuing



474 educational standards. Each committee member shall agree to serve
475 a minimum of two (2) years. The chairman of the committee shall
476 be appointed by and shall serve at the pleasure of the
477 commissioner.

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

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

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

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

487 83-17-257. (1) Educational providers shall submit proof of
488 attendee's successful completion of approved prelicensing and
489 continuing educational programs to the Commissioner of Insurance
490 in an electronic format approved by the commissioner within thirty
491 (30) days of the course completion.

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

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

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

500 83-21-19. The Commissioner of Insurance, upon the biennial
501 payment of a fee of One Hundred Dollars (\$100.00), may issue to a
502 licensed resident or nonresident agent (based on a reciprocal
503 agreement with the state of the nonresident agent), who is
504 regularly commissioned to represent two (2) or more fire, marine,
505 casualty or surety insurance companies licensed to do business in
506 the state, a privilege license to place kinds of direct insurance



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

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

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

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

537 **SECTION 17.** Section 83-17-43, Mississippi Code of 1972,
538 which requires all insurance solicitors to file with the



539 Commissioner of Insurance an application for certificate of
540 appointment as solicitor, is hereby repealed.

541 **SECTION 18.** This act shall take effect and be in force from
542 and after November 1, 2009.

