

By: Representative Stevens

To: Insurance

HOUSE BILL NO. 5
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 83-17-21, MISSISSIPPI CODE OF 1972,
2 TO REMOVE THE REQUIREMENT THAT AN INSURANCE AGENT MUST BE A
3 RESIDENT OF THIS STATE IN ORDER TO COUNTERSIGN POLICIES FOR
4 NONRESIDENT AGENTS; TO REMOVE THE REQUIREMENT THAT COMMISSIONS BE
5 DIVIDED BETWEEN THE NONRESIDENT AGENT AND THE LOCAL AGENT ON THE
6 SALE OF CERTAIN POLICIES; AND FOR RELATED PURPOSES.

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

8 SECTION 1. Section 83-17-21, Mississippi Code of 1972, is
9 amended as follows:

10 83-17-21. No fire, fire marine, accident, health, employers'
11 liability, steam boiler, plate glass, fidelity, surety, burglary,
12 or other insurance company except life insurance companies, not
13 incorporated under the laws of this state authorized to transact
14 business herein shall make, write, place, or cause to be made,
15 written, or placed any policy, duplicate policy, or contract of
16 insurance of any kind or character or any general or floating
17 policy upon persons or property in this state, except after the
18 * * * risk has been approved, in writing, by an agent * * *,
19 regularly commissioned and licensed to transact insurance business
20 herein, who shall countersign all policies or contracts of
21 insurance so issued * * *. The provisions of this section shall
22 not apply to individual firms and corporations indemnifying
23 themselves through reciprocal contracts, and not employing local
24 agents. No provision of this section is intended, or shall be so
25 intended, as to direct insurance covering the rolling stock of
26 railroad corporations, or property in transit while in the
27 possession and custody of railroad corporations or other common
28 carriers. The written approval and countersignature of licensed

29 agents may be in facsimile when used solely in connection with
30 personal accident insurance covering travel, issued through the
31 medium of policy dispensing machines; however, land travel
32 insurance so issued may not be issued for a period longer than
33 seven (7) days from the date of issue. The written approval and
34 countersignature of licensed agents may also be in facsimile when
35 authorization is given by the agent in writing to an insurer for
36 which the agent is certified to do business pursuant to Section
37 83-17-5. The use of facsimile countersignatures shall not modify
38 any of the other requirements of this section. Any authorization
39 for a facsimile countersignature may be canceled by the agent in
40 writing and is automatically canceled upon the death, termination
41 or nonrenewal of the agent. * * *

42 SECTION 2. This act shall take effect and be in force from
43 and after July 1, 1999.