

**\*\*\*Adopted\*\*\***

**AMENDMENT No. 1 PROPOSED TO**

**Senate Bill NO. 2046**

**By Representative(s) Committee**

13           Amend by striking all after the enacting clause and inserting  
14 in lieu thereof the following:

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16           SECTION 1. Section 83-21-19, Mississippi Code of 1972, is  
17 amended as follows:  
18           83-21-19. The Commissioner of Insurance, upon the annual  
19 payment of a fee of Fifty Dollars (\$50.00), may issue to a  
20 licensed resident or nonresident agent, based on a reciprocal  
21 agreement with the state of the nonresident agent, who is  
22 regularly commissioned to represent two (2) or more fire, marine,  
23 casualty or surety insurance companies licensed to do business in  
24 the state, a privilege license to place kinds of direct insurance  
25 affected hereby, to be evidenced by policies of insurance or  
26 certificates of insurance, in eligible nonadmitted insurers  
27 authorized to do business in this state. Every insurance contract  
28 procured and delivered pursuant to Sections 83-21-17 through  
29 83-21-31 shall have stamped upon it, in bold ten-point type,  
30 and \* \* \* bear the name of the agent who procured it, the  
31 following: "NOTE: This insurance policy is issued in accordance  
32 with Mississippi law covering surplus lines insurance. The  
33 company issuing the policy is not licensed by the State of  
34 Mississippi but is authorized to do business in Mississippi as a  
35 nonadmitted company. The policy is not protected by the

36 Mississippi Insurance Guaranty Association if the insurer becomes  
37 insolvent." No diminution of the license fee herein provided  
38 shall occur as to any license effective after January 1 of any  
39 year. The Commissioner of Insurance may require written  
40 application for such license.

41 SECTION 2. Section 83-21-23, Mississippi Code of 1972, is  
42 amended as follows:

43 83-21-23. When any policy of insurance or certificate of  
44 insurance is procured under the authority of such license, there  
45 shall be executed by the agent \* \* \* an affidavit setting forth  
46 facts in complete detail as to what was done to place such kind of  
47 insurance and showing that such agent therein was unable, after  
48 diligent effort, to procure from any licensed company or companies  
49 the full amount of insurance required to protect the property,  
50 liability, or risk desired to be insured, and further showing that  
51 the amount of insurance procured from the eligible nonadmitted  
52 insurer or insurers is only the excess over the amount so  
53 procurable from licensed companies. Each such affidavit, which  
54 shall be effective for the term of the policy, shall be filed with  
55 the Commissioner of Insurance along with the report required in  
56 Section 83-21-25.

57 The Commissioner of Insurance may promulgate rules and  
58 regulations and establish appropriate fees for the implementation  
59 of Sections 83-21-17 through 83-21-31. The Commissioner of  
60 Insurance may impose penalties for an agent's noncompliance with  
61 any of the provisions herein, or the rules and regulations  
62 promulgated hereunder, including civil penalties of an amount not  
63 to exceed Five Thousand Dollars (\$5,000.00) or revocation of the  
64 agent's license, or both.

65 SECTION 3. This act shall take effect and be in force from  
66 and after July 1, 2000.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 83-21-19, MISSISSIPPI CODE OF 1972,

2TO PROVIDE THAT CERTAIN NONRESIDENT INSURANCE AGENTS MAY OBTAIN  
3PRIVILEGE LICENSES FOR PLACING SURPLUS LINES INSURANCE IF THERE IS  
4A RECIPROCAL AGREEMENT WITH THE NONRESIDENT AGENT'S STATE THAT  
5ALLOWS MISSISSIPPI AGENTS TO PLACE SURPLUS LINES INSURANCE IN THAT  
6STATE; TO CLARIFY AND BROADEN THE DISCLOSURE LANGUAGE REQUIRED TO  
7APPEAR ON SURPLUS LINES POLICIES; TO AMEND SECTION 83-21-23,  
8MISSISSIPPI CODE OF 1972, TO ELIMINATE THE REQUIREMENT THAT THE  
9INSURED EXECUTE CERTAIN AFFIDAVITS FOR SURPLUS LINES INSURANCE; TO  
10AUTHORIZE THE COMMISSIONER OF INSURANCE TO IMPOSE PENALTIES FOR AN  
11AGENT'S NONCOMPLIANCE; AND FOR RELATED PURPOSES.