

By: Representative Stevens

To: Insurance

HOUSE BILL NO. 642

1 AN ACT TO AMEND SECTION 83-21-15, MISSISSIPPI CODE OF 1972,  
2 TO REMOVE THE PROHIBITION AGAINST NONRESIDENT INSURANCE AGENTS  
3 OWNING AN INTEREST IN A MISSISSIPPI AGENCY; AND FOR RELATED  
4 PURPOSES.

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

6 SECTION 1. Section 83-21-15, Mississippi Code of 1972, is  
7 amended as follows:

8 83-21-15. (1) Whenever the existing or future laws of any  
9 other state of the United States, the District of Columbia or any  
10 province of the Dominion of Canada shall require the licensing of  
11 a resident of this state as a nonresident agent or broker, then in  
12 every such case where the resident agents of such state, District  
13 of Columbia or any province of the Dominion of Canada desire to  
14 broker business to resident agents of this state, they shall be  
15 required to pay the same license fee and otherwise qualify under  
16 the conditions imposed by the law of such state upon residents of  
17 this state.

18 (2) This section shall be enforced by the Commissioner of  
19 Insurance of the State of Mississippi, who shall collect and pay  
20 into the Treasury of the state all license fees, fines or  
21 penalties required by this statute as other funds and taxes  
22 collected by him.

23 (3) The Commissioner of Insurance may, upon written  
24 application in such form as the commissioner may prescribe, duly  
25 sworn to, and on the payment of the proper license fee as required  
26 in subsection (1) of this section, issue a nonresident agent's  
27 license to an individual who meets all other qualifications of

28 Mississippi insurance laws, but who is not a resident of this  
29 state, if, by the laws of the state of his residence, residents of  
30 this state may be licensed in such manner as nonresident agents of  
31 his state.

32 (4) No such license shall be issued to any individual who  
33 does not hold an agent's license issued by the state or province  
34 of his residence.

35 (5) Before the issuance of any such nonresident agent's  
36 license, the applicant therefor shall appoint the Commissioner of  
37 Insurance as his attorney to receive service of legal process  
38 which may be issued against the nonresident agent in this state,  
39 upon causes of action arising within this state out of  
40 transactions under his license. All such nonresident agents  
41 shall, in the discretion of the Commissioner of Insurance, be  
42 subject to the insurance laws and regulations of the State of  
43 Mississippi applying to licensed agents of this state engaged in  
44 the transaction of the same kind or class of insurance.

45 (6) The license shall expire on June 1 following the date of  
46 issue. However, the commissioner may at any time after the  
47 granting of the license, for cause shown and after a hearing,  
48 determine that the holder of such license has not complied with  
49 the requirements of this section or with the insurance laws of  
50 this state, or that the holder of the license is not a suitable  
51 person to act as a nonresident agent, and shall thereupon revoke  
52 the license of such nonresident agent.

53 (7) A resident agent of this state may divide commissions  
54 with a duly licensed nonresident agent in accordance with the  
55 laws, rules and regulations of Mississippi relating to brokerage  
56 business.

57 (8) Nothing contained herein shall be construed to permit an  
58 applicant licensed solely as a broker in the state of his  
59 residence to be granted a nonresident agent's license; and nothing  
60 contained herein shall be construed to permit the holder of a

61 nonresident agent's license to act as an agent under the  
62 provisions of Sections 83-21-17 to 83-21-31, to perform any of the  
63 acts permitted thereunder.

64 (9) This section is hereby declared to be cumulative and  
65 supplemental to all other valid statutes relating to insurance.

66 SECTION 2. This act shall take effect and be in force from  
67 and after July 1, 2001.