HOUSE BILL NO. 642

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

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

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

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

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

(3) The Commissioner of Insurance may, upon written application in such form as the commissioner may prescribe, duly sworn to, and on the payment of the proper license fee as required in subsection (1) of this section, issue a nonresident agent's license to an individual who meets all other qualifications of
Mississippi insurance laws, but who is not a resident of this state, if, by the laws of the state of his residence, residents of this state may be licensed in such manner as nonresident agents of his state.

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

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

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

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

(8) Nothing contained herein shall be construed to permit an applicant licensed solely as a broker in the state of his residence to be granted a nonresident agent's license; and nothing contained herein shall be construed to permit the holder of a
nonresident agent's license to act as an agent under the
provisions of Sections 83-21-17 to 83-21-31, to perform any of the
acts permitted thereunder.

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

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