

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.