AN ACT TO AMEND SECTIONS 83-6-27, 83-19-75 AND 83-19-77, MISSISSIPPI CODE OF 1972, TO ELIMINATE REFERENCES TO REPEALED STATUTES IN CERTAIN INSURANCE REGULATIONS; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 83-6-27, Mississippi Code of 1972, is amended as follows:

83-6-27. * * * (1) The commissioner is authorized to order any insurer registered under Sections 83-6-3 through 83-6-19 of this act to produce such records, books, or other information papers in the possession of the insurer or its affiliates which are necessary to ascertain the financial condition or legality of conduct of such insurer. In the event such insurer fails to comply with such order, the commissioner is authorized to examine such affiliates to obtain such information.

(2) The commissioner shall exercise his authority under subsection (1) of this section only if * * * the interests of the policyholders of such insurer may be adversely affected.

(3) The commissioner may retain at the registered insurer's expense such attorneys, actuaries, accountants and other experts not otherwise a part of the commissioner's staff which are reasonably necessary to assist in the conduct of the examination under subsection (1) of this section. Any persons so retained are under the direction and control of the commissioner and shall act in a purely advisory capacity.
(4) Each registered insurer producing for examination
records, books and papers pursuant to subsection (1) of this
section is liable for the expense of such examination.

SECTION 2. Section 83-19-75, Mississippi Code of 1972, is
amended as follows:

83-19-75. If the surplus of any domestic insurance company
or association shall be impaired, as provided in Sections 83-19-75
and 83-19-77, and such impairment shall not be reported to the
Commissioner of Insurance of this state within ten (10) days after
such impairment occurs or results, the executive officers,
secretary, treasurer, and directors of such company shall each be
guilty of a misdemeanor and, upon conviction thereof, shall be
punished by a fine of not more than Five Hundred Dollars ($500.00)
or by imprisonment in the county jail for not more than six (6)
months, or by both such fine and imprisonment, in the discretion
of the court.

SECTION 3. Section 83-19-77, Mississippi Code of 1972, is
amended as follows:

83-19-77. Sections 83-19-75 and 83-19-77 shall not be
construed as applicable to fraternal, benevolent, or burial
associations, or any other organization not specifically named in
the foregoing schedule.

SECTION 4. This act shall take effect and be in force from
and after July 1, 2001.