

**\*\*\*Adopted\*\*\*  
AMENDMENT No. 1 PROPOSED TO**

**House Bill NO. 658**

**By Senator(s) Committee**

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

28        SECTION 1. The purpose of this article is to provide the  
29        qualifications and procedures required for the licensing of  
30        insurance producers. This article does not apply to excess and  
31        surplus lines agents and brokers licensed under Sections 83-21-17  
32        through 83-21-31 except as provided in Section 8 and Section 14(3)  
33        of this act, or to domestic title insurance companies licensed  
34        under Sections 83-15-1 through 83-15-11 and their agents.

35        SECTION 2. The following words and phrases shall have the  
36        meanings ascribed herein unless the context clearly indicates  
37        otherwise:

38                (a) "Business entity" means a corporation, association,  
39        partnership, limited liability company, limited liability  
40        partnership or other legal entity.

41                (b) "Commissioner" means the Commissioner of Insurance.

42                (c) "Home state" means the District of Columbia and any  
43        state or territory of the United States in which an insurance  
44        producer maintains his or her principal place of residence or

45 principal place of business and is licensed to act as an insurance  
46 producer.

47 (d) "Insurance" means any of the lines of authority in  
48 Section 83-19-1.

49 (e) "Insurance producer" means a person required to be  
50 licensed under the laws of this state to sell, solicit or  
51 negotiate insurance.

52 (f) "Insurer" means that as defined in Section 83-6-1.

53 (g) "License" means a document issued by the  
54 commissioner authorizing a person to act as an insurance producer  
55 for the lines of authority specified in the document. The license  
56 itself does not create any authority, actual, apparent or  
57 inherent, in the holder to represent or commit an insurance  
58 carrier.

59 (h) "Limited line credit insurance" includes credit  
60 life, credit disability, credit property, credit unemployment,  
61 involuntary unemployment, mortgage life, mortgage guaranty,  
62 mortgage disability, guaranteed automobile protection (gap)  
63 insurance and any other form of insurance offered in connection  
64 with an extension of credit that is limited to partially or wholly  
65 extinguishing that credit obligation that the commissioner  
66 determines should be designated a form of limited line credit  
67 insurance.

68 (i) "Limited line credit insurance producer" means a  
69 person who sells, solicits or negotiates one or more forms of  
70 limited line credit insurance coverage to individuals through a  
71 master, corporate, group or individual policy.

72 (j) "Limited lines insurance" means those lines of  
73 insurance defined in Section 83-19-1, Class 1(b), (p) and (q) and  
74 Section 83-19-1, Class 2(d) or any other line of insurance that

75 the commissioner deems necessary to recognize for the purposes of  
76 complying with Section 8(5) of this act.

77 (k) "Limited lines producer" means a person authorized  
78 by the commissioner to sell, solicit or negotiate limited lines  
79 insurance.

80 (l) "Negotiate" means the act of conferring directly  
81 with or offering advice directly to a purchaser or prospective  
82 purchaser of a particular contract of insurance concerning any of  
83 the substantive benefits, terms or conditions of the contract, if  
84 the person engaged in that act either sells insurance or obtains  
85 insurance from insurers for purchasers.

86 (m) "Person" means an individual or a business entity.

87 (n) "Sell" means to exchange a contract of insurance by  
88 any means, for money or its equivalent, on behalf of an insurance  
89 company.

90 (o) "Solicit" means attempting to sell insurance or  
91 asking or urging a person to apply for a particular kind of  
92 insurance from a particular company.

93 (p) "Terminate" means the cancellation of the  
94 relationship between an insurance producer and the insurer or the  
95 termination of a producer's authority to transact insurance.

96 (q) "Uniform business entity application" means the  
97 current version of the NAIC uniform business entity application  
98 for resident and nonresident business entities.

99 (r) "Uniform application" means the current version of  
100 the NAIC uniform application for resident and nonresident producer  
101 licensing.

102 SECTION 3. (1) A person shall not sell, solicit or  
103 negotiate insurance in this state for any class or classes of  
104 insurance unless the person is licensed for that line of authority

105 in accordance with this article.

106 (2) No license shall be issued to a partnership unless all  
107 the partners thereof satisfy the same requirements in every  
108 respect for an individual producer provided for in this article.

109 SECTION 4. (1) Nothing in this article shall be construed  
110 to require an insurer to obtain an insurance producer license. In  
111 this section, the term "insurer" does not include an insurer's  
112 officers, directors, employees, subsidiaries or affiliates.

113 (2) A license as an insurance producer shall not be required  
114 of the following:

115 (a) An officer, director or employee of an insurer or  
116 of an insurance producer, if the officer, director or employee  
117 does not receive any commission on policies written or sold to  
118 insure risks residing, located or to be performed in this state  
119 and:

120 (i) The officer, director or employee's activities  
121 are executive, administrative, managerial, clerical or a  
122 combination of these and are only indirectly related to the sale,  
123 solicitation or negotiation of insurance; or

124 (ii) The officer, director or employee's function  
125 relates to underwriting, loss control or inspection of insurance;  
126 or

127 (iii) The officer, director or employee is acting  
128 in the capacity of a special agent or agency supervisor assisting  
129 insurance producers where the person's activities are limited to  
130 providing technical advice and assistance to licensed insurance  
131 producers and do not include the sale, solicitation or negotiation  
132 of insurance;

133 (b) A person who secures and furnishes information for  
134 the purpose of group life insurance, group property and casualty

135 insurance, group annuities, group or blanket accident and health  
136 insurance or for the purpose of enrolling individuals under plans  
137 or issuing certificates under plans or other wise assisting in  
138 administering plans; or who performs administrative services  
139 related to mass marketed property and casualty insurance where no  
140 commission is paid to the person for the service;

141 (c) An employer or association or its officer,  
142 directors, employees, or the trustees of an employee trust plan,  
143 to the extent that the employers, officers, employees, director or  
144 trustees are engaged in the administration or operation of a  
145 program of employee benefits for the employer's or association's  
146 own employees or the employees of its subsidiaries or affiliates,  
147 which program involves the use of insurance issued by an insurer,  
148 as long as the employers, associations, officers, directors,  
149 employees or trustees are not in any manner compensated, directly  
150 or indirectly, by the company issuing the contracts;

151 (d) Employees of insurers or organizations employed by  
152 insurers who are engaging in the inspection, rating or  
153 classification of risk or in the supervision of the training of  
154 insurance producers and who are not individually engaged in the  
155 sale, solicitation or negotiation of insurance;

156 (e) A person whose activities in this state are limited  
157 to advertising without the intent to solicit insurance in this  
158 state through communications in printed publications or other  
159 forms of electronic mass media whose distribution is not limited  
160 to residents of the state, if the person does not sell, solicit or  
161 negotiate insurance that would insure risks residing, located or  
162 to be performed in this state;

163 (f) A person who is not a resident of this state who  
164 sells, solicits or negotiates a contract of insurance for

165 commercial property and casualty risks to an insured with risks  
166 located in more than one (1) state insured under that contract, if  
167 that person is otherwise licensed as an insurance producer to  
168 sell, solicit or negotiate that insurance in the state where the  
169 insured maintains its principal place of business and the contract  
170 of insurance insures risks located in that state; or

171 (g) A salaried full-time employee who counsels or  
172 advises his or her employer relative to the insurance interests of  
173 the employer or of the subsidiaries or business affiliates of the  
174 employer if the employee does not sell or solicit insurance or  
175 receive a commission.

176 SECTION 5. (1) A resident individual applying for an  
177 insurance producer license shall pass a written examination unless  
178 exempt under Section 9 of this act or Section 83-17-39. The  
179 examination shall test the knowledge of the individual concerning  
180 the lines of authority for which application is made, the duties  
181 and responsibilities of an insurance producer and the insurance  
182 laws and regulations of this state. Examinations required by this  
183 section shall be developed and conducted under rules and  
184 regulations prescribed by the commissioner.

185 (2) The commissioner may make arrangements, including  
186 contracting with an outside testing service, for administering  
187 examinations and collecting a nonrefundable examination fee.

188 (3) Each individual applying for an examination shall remit  
189 a nonrefundable fee as prescribed by the commissioner.

190 (4) An individual who fails to appear for the examination as  
191 scheduled or fails to pass the examination shall reapply for an  
192 examination and remit all required fees and forms before being  
193 rescheduled for another examination.

194 SECTION 6. (1) A person applying for a resident insurance

195 producer license shall make application to the commissioner on the  
196 uniform application and declare under penalty of refusal,  
197 suspension or revocation of the license that the statements made  
198 in the application are true, correct and complete to the best of  
199 the individual's knowledge and belief. Before approving the  
200 application, the commissioner shall find that the individual:

201 (a) Is at least eighteen (18) years of age;

202 (b) Has not committed any act that is a ground for  
203 denial, suspension or revocation set forth in Section 11 of this  
204 act;

205 (c) Where required by the commissioner, has completed a  
206 prelicensing course of study for the lines of authority for which  
207 the person has applied;

208 (d) Has paid the fees set forth in Sections 27-15-87  
209 and 27-15-93; and

210 (e) Has successfully passed the examinations for the  
211 liens of authority for which the person has applied.

212 (2) A business entity acting as an insurance producer is  
213 required to obtain an insurance producer license. Application  
214 shall be made using the uniform business entity application.  
215 Before approving the application, the commissioner shall find  
216 that:

217 (a) The business entity has paid the fees set forth in  
218 Sections 27-15-85 and 27-15-93; and

219 (b) The business entity has designated a licensed  
220 producer responsible for the business entity's compliance with the  
221 insurance laws, rules and regulations of this state.

222 (3) The commissioner may require any documents reasonably  
223 necessary to verify the information contained in an application.

224 (4) Each insurer that sells, solicits or negotiates any form

225 of limited line credit insurance shall provide to each individual  
226 whose duties include selling, soliciting or negotiating limited  
227 line credit insurance a program of instruction that may be  
228 approved by the commissioner.

229       SECTION 7. (1) Unless denied licensure under Section 11 of  
230 this act, persons who have met the requirements of Sections 5 and  
231 6 of this act, shall be issued an insurance producer license. An  
232 insurance producer may receive qualification for a license in one  
233 or more of the following lines of authority:

234           (a) Life: insurance coverage on human lives including  
235 benefits of endowment and annuities and may include benefits in  
236 the event of death or dismemberment by accident and benefits for  
237 disability income.

238           (b) Accident and health or sickness: insurance  
239 coverage for sickness, bodily injury or accidental death and may  
240 include benefits for disability income.

241           (c) Property: insurance coverage for the direct or  
242 consequential loss or damage to property of every kind.

243           (d) Casualty: insurance coverage against legal  
244 liability, including that for death, injury or disability or  
245 damage to real or personal property.

246           (e) Variable life and variable annuity products:  
247 insurance coverage provided under variable life insurance  
248 contracts and variable annuities.

249           (f) Personal lines: property and casualty insurance  
250 coverage sold to individuals and families for primarily  
251 noncommercial purposes.

252           (g) Credit: limited line credit insurance.

253           (h) Any other line of insurance permitted under state  
254 laws or regulations.



255           (2) An insurance producer license shall remain in effect  
256 unless revoked or suspended as long as the fee set forth in  
257 Sections 27-15-87 and 27-15-93 is paid and education requirements  
258 for resident individual producers are met by the due date.

259           (3) An individual insurance producer who allows his or her  
260 license to lapse may, within twelve (12) months from the due date  
261 of the renewal fee, reinstate the same license without the  
262 necessity of passing a written examination. However, a penalty in  
263 the amount of double the unpaid renewal fee shall be required for  
264 any renewal fee received after the due date.

265           (4) A licensed insurance producer who is unable to comply  
266 with license renewal procedures due to military service or some  
267 other extenuating circumstances, including, but not limited to, a  
268 long-term medical disability may request a waiver of those  
269 procedures. The producer may also request a waiver of any  
270 examination requirement or any other fine or sanction imposed for  
271 failure to comply with renewal procedures.

272           (5) The license shall contain the licensee's name, address,  
273 personal identification number and the date of issuance, the lines  
274 of authority, the expiration date and any other information the  
275 commissioner deems necessary.

276           (6) Licensees shall inform the commissioner by any means  
277 acceptable to the commissioner of a change of address within  
278 thirty (30) days of the change. Failure to timely inform the  
279 commissioner of a change in legal name or address shall result in  
280 a penalty under Section 11 of this act.

281           (7) In order to assist in the performance of the  
282 commissioner's duties, the commissioner may contract with  
283 nongovernmental entities, including the National Association of  
284 Insurance Commissioner (NAIC) or any affiliates or subsidiaries

285 that the NAIC oversees, to perform any ministerial functions,  
286 including the collection of fees, related to producer licensing  
287 that the commissioner and the nongovernmental entity may deem  
288 appropriate.

289 SECTION 8. (1) Unless denied licensure pursuant to Section  
290 11 of this act, a nonresident person shall receive a nonresident  
291 producer license if:

292 (a) The person is currently licensed as a resident and  
293 is in good standing in his or her home state;

294 (b) The person has submitted the proper request for  
295 licensure and has paid the fees required by Sections 27-15-87 and  
296 27-15-93;

297 (c) The person has submitted or transmitted to the  
298 commissioner the application for licensure that the person  
299 submitted to his or her home state, or a completed uniform  
300 application; and

301 (d) The person's home state awards nonresident producer  
302 licenses to residents of this state on the same basis.

303 (2) The commissioner may verify the producer's licensing  
304 status through the producer database maintained by the National  
305 Association of Insurance Commissioners, its affiliates or  
306 subsidiaries.

307 (3) A nonresident producer who moves from one state to  
308 another state or a resident producer who moves from this state to  
309 another state shall file a change of address and provide  
310 certification from the new resident state within thirty (30) days  
311 of the change of legal residence. No fee or license application  
312 is required.

313 (4) Notwithstanding any other provision of this article, a  
314 person licensed as a surplus lines producer in his or her home

315 state shall receive a nonresident surplus lines producer license  
316 in accordance with subsection (1) of this section. Except as to  
317 subsection (1) of this section, nothing in this section otherwise  
318 amends or supercedes any provision of Sections 83-21-17 through  
319 83-21-31.

320 (5) Notwithstanding any other provision of this article, a  
321 person licensed as a limited line credit insurance or other type  
322 of limited lines producer in his or her home state shall receive a  
323 nonresident limited lines producer license in accordance with  
324 subsection (1) of this section, granting the same scope of  
325 authority as granted under the license issued by the producer's  
326 home state. For the purposes of this subsection, limited line  
327 insurance is any authority granted by the home state which  
328 restricts the authority of the license to less than the total  
329 authority prescribed in the associated major lines under Section  
330 7(1)(a) through (f) of this act.

331 SECTION 9. (1) An individual who applies for an insurance  
332 producer license in this state who was previously licensed for the  
333 same lines of authority in another state shall not be required to  
334 complete any prelicensing education or examination. This  
335 exemption is only available if the person is currently licensed in  
336 that state or if the application is received within ninety (90)  
337 days of the cancellation of the applicant's previous license and  
338 if the prior state issues a certification that, at the time of  
339 cancellation, the applicant was in good standing in that state or  
340 the state's producer database records, maintained by the National  
341 Association of Insurance Commissioners, its affiliates or  
342 subsidiaries, indicate that the producer is or was licensed in  
343 good standing for the line of authority requested.

344 (2) A person licensed as an insurance producer in another

345 state who moves to this state shall make application within ninety  
346 (90) days of establishing legal residence to become a resident  
347 licensee in accordance with Section 6 of this act. No  
348 prelicensing education or examination shall be required of that  
349 person to obtain any line of authority previously held in the  
350 prior state except where the commissioner determines otherwise by  
351 regulation.

352 SECTION 10. (1) The commissioner may issue a temporary  
353 insurance producer license for a period not to exceed one hundred  
354 eighty (180) days without requiring an examination if the  
355 commissioner deems that the temporary license is necessary for the  
356 servicing of an insurance business in the following cases:

357 (a) To the surviving spouse or court-appointed personal  
358 representative of a licensed insurance producer who dies or  
359 becomes mentally or physically disabled to allow adequate time for  
360 the sale of the insurance business owned by the producer or for  
361 the recovery or return of the producer to the business or to  
362 provide for the training and licensing of new personnel to operate  
363 the producer's business.

364 (b) To a member or employee of a business entity  
365 licensed as an insurance producer, upon the death or disability of  
366 an individual designated in the business entity application or the  
367 license;

368 (c) To the designee of a licensed insurance producer  
369 entering active service in the armed forces of the United States  
370 of America; or

371 (d) In any other circumstance where the commissioner  
372 deems that the public interest will best be served by the issuance  
373 of this license.

374 (2) The commissioner may by order limit the authority of any

375 temporary licensee in any way deemed necessary to protect insureds  
376 and the public. The commissioner may require the temporary  
377 licensee to have a suitable sponsor who is a licensed producer or  
378 insurer and who assumes responsibility for all acts of the  
379 temporary licensee and may impose other similar requirements  
380 designed to protect insureds and the public. The commissioner may  
381 by order revoke a temporary license if the interest of insureds or  
382 the public are endangered. A temporary license may not continue  
383 after the owner or the personal representative disposes of the  
384 business.

385       SECTION 11. (1) The commissioner may place on probation,  
386 suspend, revoke or refuse to issue or renew an insurance  
387 producer's license or may levy a civil penalty in an amount not to  
388 exceed One Thousand Dollars (\$1,000.00) per violation and such  
389 penalty shall be deposited into the special fund of the State  
390 Treasury designated as the "Insurance Department Fund" for any one  
391 or more of the following causes:

392           (a) Providing incorrect, misleading, incomplete or  
393 materially untrue information in the license application;

394           (b) Violating any insurance laws, or violating any  
395 regulation, subpoena or order of the commissioner or of another  
396 state's commissioner;

397           (c) Obtaining or attempting to obtain a license through  
398 misrepresentation or fraud;

399           (d) Improperly withholding, misappropriating or  
400 converting any monies or properties received in the course of  
401 doing insurance business;

402           (e) Intentionally misrepresenting the terms of an  
403 actual or proposed insurance contract or application for  
404 insurance;

- 405           (f) Having been convicted of a felony;
- 406           (g) Having admitted or been found to have committed any  
407 insurance unfair trade practice or fraud;
- 408           (h) Using fraudulent, coercive or dishonest practices  
409 or demonstrating incompetence, untrustworthiness or financial  
410 irresponsibility in the conduct of business in this state or  
411 elsewhere;
- 412           (i) Having an insurance producer license, or its  
413 equivalent, denied, suspended or revoked in any other state,  
414 province, district or territory;
- 415           (j) Forging another's name to an application for  
416 insurance or to any document related to an insurance transaction;
- 417           (k) Improperly using notes or any other reference  
418 material to complete an examination for an insurance license;
- 419           (l) Knowingly accepting insurance business from an  
420 individual who is not licensed;
- 421           (m) Failing to comply with an administrative or court  
422 order imposing a child support obligation; or
- 423           (n) Failing to pay state income tax or comply with any  
424 administrative or court order directing payment of state income  
425 tax.
- 426           (2) If the action by the commissioner is to nonrenew or to  
427 deny an application for a license, the commissioner shall notify  
428 the applicant or licensee and advise, in writing, the applicant or  
429 licensee of the reason for the denial or nonrenewal of the  
430 applicant's or licensee's license. The applicant or licensee may  
431 make written demand upon the commissioner within ten (10) days for  
432 a hearing before the commissioner to determine the reasonableness  
433 of the commissioner's action. The hearing shall be held within  
434 thirty (30) days.

435           (3) The license of a business entity may be suspended,  
436 revoked or refused if the commissioner finds, after hearing, that  
437 an individual licensee's violation was known or should have been  
438 known by one or more of the partners, officers or managers acting  
439 on behalf of the partnership or corporation and the violation was  
440 neither reported to the commissioner nor corrective action taken.

441           (4) In addition to or in lieu of any applicable denial,  
442 suspension or revocation of a license, a person may, after  
443 hearing, be subject to a civil fine not to exceed One Thousand  
444 Dollars (\$1,000.00) per violation and such fine shall be deposited  
445 into the special fund in the State Treasury designated as the  
446 "Insurance Department Fund".

447           (5) The commissioner shall retain the authority to enforce  
448 the provisions of and impose any penalty or remedy authorized by  
449 this article and Title 83, Mississippi Code of 1972, against any  
450 person who is under investigation for or charged with a violation  
451 of this article or Title 83, Mississippi Code of 1972, even if the  
452 person's license or registration has been surrendered or has  
453 lapsed by operation of law.

454           (6) No licensee whose license has been revoked hereunder  
455 shall be entitled to file another application for a license as a  
456 producer within one (1) year from the effective date of such  
457 revocation or, if judicial review of such revocation is sought,  
458 within one (1) year from the date of final court order or decree  
459 affirming such revocation. Such application, when filed, may be  
460 refused by the commissioner unless the applicant shows good cause  
461 why the revocation of his license shall not be deemed a bar to the  
462 issuance of a new license.

463           SECTION 12. (1) An insurance company or insurance producer  
464 shall not pay a commission, service fee, brokerage or other

465 valuable consideration to a person for selling, soliciting or  
466 negotiating insurance in this state if that person is required to  
467 be licensed under this article and is not so licensed.

468 (2) A person shall not accept a commission, service fee,  
469 brokerage or other valuable consideration for selling, soliciting  
470 or negotiating insurance in this state if that person is required  
471 to be licensed under this article and is not so licensed.

472 (3) Renewal or other deferred commissions may be paid to a  
473 person for selling, soliciting or negotiating insurance in this  
474 state if the person was required to be licensed under this article  
475 at the time of the sale, solicitation or negotiation and was so  
476 licensed at that time.

477 (4) An insurer or insurance producer may pay or assign  
478 commissions, service fees, brokerages or other valuable  
479 consideration to an insurance agency or to persons who do not  
480 sell, solicit or negotiate insurance in this state, unless the  
481 payment would violate Section 83-17-7 or any other applicable  
482 provision of Title 83, Mississippi Code of 1972.

483 SECTION 13. (1) An insurance producer shall not act as an  
484 agent of an insurer unless the insurance producer becomes an  
485 appointed agent of that insurer. An insurance producer who is not  
486 acting as an agent of a noninsurer is not required to become  
487 appointed.

488 (2) To appoint a producer as its agent, the appointing  
489 insurer shall file, in a format approved by the commissioner, a  
490 notice of appointment within fifteen (15) days from the date the  
491 agency contract is executed or the first insurance application is  
492 submitted. An insurer may also elect to appoint a producer to all  
493 or some insurers within the insurer's holding company system or  
494 group by the filing of a single appointment request.



495           (3) Upon receipt of the notice of appointment, the  
496 commissioner shall verify within a reasonable time not to exceed  
497 thirty (30) days that the insurance producer is eligible for  
498 appointment. If the insurance producer is determined to be  
499 ineligible for appointment, the commissioner shall notify the  
500 insurer within five (5) days of its determination.

501           (4) An insurer shall pay an appointment fee, in the amount  
502 and method of payment set forth in Section 83-17-5 for each  
503 insurance producer appointed by the insurer.

504           (5) An insurer shall remit, in a manner prescribed by the  
505 commissioner, a renewal appointment fee in the amount set forth in  
506 Section 83-17-5.

507           (6) Before the issuance of a license or certificate of  
508 authority, the commissioner shall require the company requesting  
509 appointment of the applicant as producer for the first time to  
510 furnish a certificate to the commissioner, verified by an  
511 executive officer or managing general or special agent of such  
512 company, that the company has duly investigated the character and  
513 record of such person and has satisfied itself that such person is  
514 of good moral character and is qualified, fit and trustworthy to  
515 act as its producer. The Commissioner of Insurance may at any  
516 time require any company to obtain a credit report on a producer  
517 if the commissioner deems such request advisable. Should such  
518 credit report reflect information regarding an offense or  
519 violation in relation to which the Department of Insurance has  
520 taken action, such information shall not render the applicant  
521 ineligible for a license if applicant has complied with the order  
522 of the commissioner regarding such offense.

523           SECTION 14. (1) An insurer or authorized representative of  
524 the insurer that terminates the appointment, employment, contract

525 or other insurance business relationship with a producer shall  
526 notify the commissioner within thirty (30) days following the  
527 effective date of the termination, using a format prescribed by  
528 the commissioner, if the reason for termination is one of the  
529 reasons set forth in Section 11 of this act or the insurer has  
530 knowledge the producer was found by a court government body or  
531 self-regulatory organization authorized by law to have engaged in  
532 any of the activities in Section 11 of this act. Upon the written  
533 request of the commissioner, the insurer shall provide additional  
534 information, documents, records or other data pertaining to the  
535 termination or activity of the producer.

536 (2) An insurer or authorized representative of the insurer  
537 that terminates the appointment, employment or contract with a  
538 producer for any reason not set forth in Section 11 of this act  
539 shall notify the commissioner within thirty (30) days following  
540 the effective date of the termination using a format prescribed by  
541 the commissioner. Upon written request of the commissioner, the  
542 insurer shall provide additional information, documents, records  
543 or other data pertaining to the termination.

544 (3) The insurer or the authorized representative of the  
545 insurer shall promptly notify the commissioner in a format  
546 acceptable to the commissioner if, upon further review or  
547 investigation, the insurer discovers additional information that  
548 would have been reportable to the commissioner in accordance with  
549 subsection (1) of this section had the insurer then known of its  
550 existence.

551 (4) (a) Within fifteen (15) days after making the  
552 notification required by subsections (1), (2) and (3) of this  
553 section, the insurer shall mail a copy of the notification to the  
554 producer at his or her last known address. If the producer is

555 terminated for cause for any of the reasons listed in Section 11  
556 of this section, the insurer shall provide a copy of the  
557 notification to the producer at his or her last known address by  
558 certified mail, return receipt requested, postage prepaid or by  
559 overnight delivery using a nationally recognized carrier.

560           (b) Within thirty (30) days after the producer has  
561 received the original or additional notification, the producer may  
562 file written comments concerning the substance of the notification  
563 with the commissioner. The producer shall, by the same means,  
564 simultaneously send a copy of the comments to the reporting  
565 insurer, and the comments shall become a part of the  
566 commissioner's file and accompany every copy of a report  
567 distributed or disclosed for any reason about the producer as  
568 permitted under subsection (6) of this section.

569           (5) (a) In the absence of actual malice, an insurer, the  
570 authorized representative of the insurer, a producer, the  
571 commissioner or an organization of which the commissioner is a  
572 member and that compiles the information and makes it available to  
573 other commissioners or regulatory or law enforcement agencies  
574 shall not be subject to civil liability, and a civil cause of  
575 action of any nature shall not arise against these entities or  
576 their respective agents or employees, as a result of any statement  
577 or information required by or provided under this section or any  
578 information relating to any statement that may be requested in  
579 writing by the commissioner from an insurer or producer or a  
580 statement by a terminating insurer or producer to an insurer or  
581 producer limited solely and exclusively to whether a termination  
582 for cause under subsection (1) of this section was reported to the  
583 commissioner if the propriety of any termination for cause under  
584 subsection (1) of this section is certified in writing by an

585 officer or authorized representative of the insurer or producer  
586 terminating the relationship.

587           (b) In any action brought against a person that may  
588 have immunity under paragraph (a) of this subsection for making  
589 any statement required by this section or providing any  
590 information relating to any statement that may be requested by the  
591 commissioner, the party bringing the action shall plead  
592 specifically in any allegation that paragraph (a) of this  
593 subsection does not apply because the person making the statement  
594 or providing the information did so with actual malice.

595           (c) Paragraph (a) or (b) of this subsection shall not  
596 abrogate or modify any existing statutory or common law privileges  
597 or immunities.

598           (6) (a) Any documents, materials or other information in  
599 the control or possession of the Department of Insurance that is  
600 furnished by an insurer, producer or an employee or agent thereof  
601 acting on behalf of the insurer or producer or obtained by the  
602 commissioner in an investigation under this section shall be  
603 confidential by law and privileged, shall not be subject to the  
604 Public Records Act, shall not be subject to subpoena and shall not  
605 be subject to discovery or admissible in evidence in any private  
606 civil action. However, the commissioner is authorized to use the  
607 documents, materials or other information in the furtherance of  
608 any regulatory or legal action brought as a part of the  
609 commissioner's duties.

610           (b) Neither the commissioner nor any person who  
611 received documents, materials or other information while acting  
612 under the authority of the commissioner shall be permitted or  
613 required to testify in any private civil action concerning any  
614 confidential documents, materials or information subject to

615 paragraph (a) of this subsection.

616 (c) In order to assist in the performance of the  
617 commissioner's duties under this article, the commissioner:

618 (i) May share documents, materials or other  
619 information, including the confidential and privileged documents,  
620 materials or information subject to paragraph (a) of this  
621 subsection, with other state, federal and international regulatory  
622 agencies, with the National Association of Insurance  
623 Commissioners, its affiliates or subsidiaries and with state,  
624 federal and international law enforcement authorities, if the  
625 recipient agrees to maintain the confidentiality and privileged  
626 status of the document, material or other information;

627 (ii) May receive documents, materials or  
628 information, including otherwise confidential and privileged  
629 documents, materials or information, from the National Association  
630 of Insurance Commissioners, its affiliates or subsidiaries and  
631 from regulatory and law enforcement officials of other foreign or  
632 domestic jurisdictions and shall maintain as confidential or  
633 privileged any document, material or information received with  
634 notice or the understanding that it is confidential or privileged  
635 under the laws of the jurisdiction that is the source of the  
636 document, material or information; and

637 (iii) May enter into agreements governing sharing  
638 and use of information consistent with this subsection.

639 (d) No waiver of any applicable privilege or claim of  
640 confidentiality in the documents, materials or information shall  
641 occur as a result of disclosure to the commissioner under this  
642 section or as a result of sharing as authorized in paragraph (c)  
643 of this subsection.

644 (e) Nothing in this article shall prohibit the

645 commissioner from releasing final, adjudicated actions including  
646 for cause terminations that are open to public inspection pursuant  
647 to the Public Records Act to a database or other clearinghouse  
648 service maintained by the National Association of Insurance  
649 Commissioners, its affiliates or subsidiaries of the National  
650 Association of Insurance Commissioners.

651 (7) An insurer, the authorized representative of the insurer  
652 or producer that fails to report as required under the provisions  
653 of this section or that is found to have reported with actual  
654 malice by a court of competent jurisdiction may, after notice and  
655 hearing, have its license or certificate of authority suspended or  
656 revoked and may be fined in accordance with all applicable  
657 statutes.

658 SECTION 15. (1) The commissioner shall waive any  
659 requirements for a nonresident license applicant with a valid  
660 license from his or her home state, except the requirements  
661 imposed by Section 8 of this act, if the applicant's home state  
662 awards nonresident licenses to residents of this state on the same  
663 basis.

664 (2) A nonresident producer's satisfaction of his or her home  
665 state's continuing education requirements for licensed insurance  
666 producers shall constitute satisfaction of this state's continuing  
667 education requirements if the nonresident producer's home state  
668 recognizes the satisfaction of its continuing education  
669 requirements imposed upon producers from this state on the same  
670 basis.

671 SECTION 16. (1) A producer shall report to the commissioner  
672 any administrative action taken against the producer in another  
673 jurisdiction or by another governmental agency in this state  
674 within thirty (30) days of the final disposition of the matter.

675 This report shall include a copy of the order, consent to order or  
676 other relevant legal documents.

677 (2) Within thirty (30) days of the initial pretrial hearing  
678 date, a producer shall report to the commissioner any criminal  
679 prosecution of the producer taken in any jurisdiction. The report  
680 shall include a copy of the initial complaint filed, the order  
681 resulting from the hearing and any other relevant legal documents.

682 SECTION 17. Any person aggrieved by any action or decision  
683 of the Commissioner of Insurance under the provisions of this  
684 article may appeal therefrom to the Circuit Court of the First  
685 Judicial District of Hinds County by certiorari in the manner  
686 provided by law. Such appeal shall be without supersedeas, except  
687 that the court may grant supersedeas as otherwise provided by law  
688 where the license is revoked. The court shall have the authority  
689 and jurisdiction to hear the appeal and render its decision in  
690 regard thereto in term time or vacation.

691 SECTION 18. For the purpose of making such investigations as  
692 he may deem necessary for the proper administration of this  
693 article, the commissioner shall have inquisitorial powers and  
694 shall be empowered to subpoena witnesses and examine them under  
695 oath, provided that all testimony, documents, and other evidence  
696 required to be submitted to the commissioner pursuant to this  
697 article shall be privileged and shall not be admissible as  
698 evidence in any other proceeding.

699 SECTION 19. The commissioner may, in accordance with Section  
700 25-43-1 et seq., promulgate reasonable regulations as are  
701 necessary or proper to carry out the purposes of this article.

702 SECTION 20. If any provisions of this article, or the  
703 application of a provision to any person or circumstances, shall  
704 be held invalid, the remainder of the article, and the application

705 of the provision to persons or circumstances other than those to  
706 which it is held invalid, shall not be affected.

707 SECTION 21. The following provision shall be codified as  
708 Section 83-17-37, Mississippi Code of 1972:

709 83-17-37. (1) Each license issued to a producer shall  
710 expire on the mandated renewal date following the date of issue,  
711 unless prior thereto it is revoked or suspended by the  
712 commissioner.

713 (2) Each producer shall file an application for renewal of  
714 license on the form and in the manner prescribed by the  
715 commissioner for such purpose. Upon the filing of such  
716 application for renewal of license and the payment of the required  
717 fees, the current license shall continue to be in force until the  
718 renewal license is issued by the commissioner or until the  
719 commissioner has refused for cause to issue such renewal license,  
720 as provided in Section 11 of House Bill No. 658, 2001 Regular  
721 Session, and has given notice of such refusal in writing to the  
722 producer.

723 SECTION 22. The following provision shall be codified as  
724 Section 83-17-39, Mississippi Code of 1972:

725 83-17-39. (1) Each applicant for a license to act as a  
726 producer within this state shall submit to a personal written  
727 examination to determine his competence to act as a producer and  
728 his familiarity with the pertinent provisions of the laws of this  
729 state, and shall pass the same to the satisfaction of the  
730 commissioner; except that no such written examination shall be  
731 required of:

732 (a) An applicant for a renewal license unless the  
733 commissioner determines that such examination is necessary to  
734 establish the competency of the applicant, or unless a license had



735 not been effective as to such applicant within one (1) year  
736 preceding the date of filing the application;

737 (b) An applicant who is a ticket-selling agent of a  
738 railroad or steamship company, carrier by air, or public bus  
739 carrier who shall act as a producer or solicitor in the sale of  
740 accident insurance tickets to individuals;

741 (c) An applicant who shall be licensed to act only as a  
742 producer with respect to life, health and accident insurance on  
743 borrowers or debtors commonly known as credit life, health and  
744 accident insurance;

745 (d) In the discretion of the commissioner, an applicant  
746 whose license to do business or act as a producer in this state  
747 was suspended less than one (1) year prior to the date of  
748 application;

749 (e) An applicant who is an agent of a fraternal benefit  
750 society exclusively;

751 (f) An applicant who is exempt from examination under  
752 the provisions of Section 9 of House Bill No. 658, 2001 Regular  
753 Session.

754 (2) The commissioner may establish rules and regulations  
755 with respect to the classification of applicants according to the  
756 type of insurance contracts to be effected by them if licensed as  
757 producers, and with respect to the scope, type and conduct of  
758 written examinations to be given pursuant to this section, and the  
759 times and places within this state for the holding of such  
760 examinations. Such rules and regulations, if established, shall  
761 classify applicants for purposes of this section as follows:

762 (a) Those desiring to write life insurance;

763 (b) Those desiring to write accident and health  
764 insurance, other than industrial accident and health insurance;

765 (c) Those desiring to write industrial accident and  
766 health insurance;

767 (d) Those desiring to write any combination of two (2)  
768 or more of the above classifications; and

769 (e) Those of such other classification as, in the  
770 opinion of the commissioner, are necessary or appropriate.

771 Examination shall be prepared and given in those  
772 subjects only which pertain to the classification or  
773 classifications which the applicant desires to write, and no  
774 applicant shall be required to take an examination on a subject or  
775 subjects pertaining to any other classification.

776 The rules and regulations of the commissioner, if  
777 established, shall designate textbooks, manuals and other  
778 materials to be studied by applicants in preparation for  
779 examination in each classification designated by the commissioner  
780 pursuant to this section. Such textbooks, manuals or other  
781 materials may consist of matter available to applicants by  
782 purchase from the publisher, or may consist of matter prepared at  
783 the direction of the commissioner and distributed to applicants  
784 upon request therefor and payment of the reasonable cost thereof.

785 If textbooks, manuals or other materials shall have been  
786 designated or prepared by the commissioner pursuant to this  
787 section, all examination questions shall be prepared from the  
788 contents of such textbooks, manuals or other materials.

789 SECTION 23. The following provision shall be codified as  
790 Section 83-17-41, Mississippi Code of 1972:

791 83-17-41. The commissioner may, from time to time, make  
792 reasonable groupings into type, types or kinds of insurance that  
793 may be lawfully written in this state, for the purpose of  
794 prescribing reasonable written examinations for producer and

795 solicitor licenses for each group respectively, and for the  
796 issuance of limited licenses. Any such licensed producer or  
797 solicitor who shall attempt to write any type of business or seek  
798 a brokerage commission on a type of business for which he is not  
799 properly licensed and authorized shall, after investigation of all  
800 circumstances and proper notice of hearing, be subject to hearing  
801 for revocation or suspension of the license.

802 SECTION 24. The following provision shall be codified as  
803 Section 83-17-43, Mississippi Code of 1972:

804 83-17-43. (1) In addition to all other license  
805 requirements, examinations for qualifications and fees established  
806 and imposed by law, all insurance solicitors shall file with the  
807 Commissioner of Insurance, in a form to be prescribed by the  
808 commissioner, an application for certificate of appointment as  
809 solicitor, signed by an insurance producer who proposes to employ  
810 such solicitor and signed and accepted by such solicitor, and  
811 shall pay to the commissioner a fee of Two Dollars (\$2.00)  
812 annually for the issuance of a certificate of appointment under  
813 seal of his office, showing the name of such solicitor, the name  
814 of an insurance producer or agency for which such individual is  
815 licensed to solicit business, and that such insurance producer or  
816 insurance agency is duly licensed. Such certificate of  
817 appointment issued by the commissioner shall be cancelled by him  
818 at any time upon request of the insurance producer or agency named  
819 therein, and shall automatically expire and terminate at the time  
820 that the solicitor's employment by, and connection with, the  
821 producer or agency named on such certificate terminates.

822 (2) No person shall act as an insurance solicitor for any  
823 insurance producer or agency without first securing from the  
824 commissioner the certificate of appointment designating the agency

825 for which he is acting as solicitor, and paying the commissioner  
826 the fee herein provided. No person shall, at the same time, act  
827 as insurance solicitor for more than one (1) insurance producer or  
828 agency.

829 SECTION 25. The following provision shall be codified as  
830 Section 83-17-45, Mississippi Code of 1972:

831 83-17-45. (1) No producer or other persons shall, within  
832 this state, solicit, procure, receive or forward applications for  
833 insurance or annuities, or issue or deliver policies for, or in  
834 any manner secure, help, or aid in the placing of any contract of  
835 insurance or annuity for any person other than himself, directly  
836 or indirectly, with any insurer not authorized to do business in  
837 this state.

838 (2) Any producer or any other person who violates the  
839 provisions of this section shall be liable for the full amount of  
840 any loss sustained on any contract of life, health or accident  
841 insurance or annuity made by or through him, directly or  
842 indirectly, with any insurer not authorized to do business in this  
843 state and, in addition, for any premium taxes which may become due  
844 under any law of this state by reason of such contract.

845 SECTION 26. The following provision shall be codified as  
846 Section 83-17-47, Mississippi Code of 1972:

847 83-17-47. The Commissioner of Insurance shall have the power  
848 to administer oaths and affirmations, issue subpoenas and order  
849 the attendance and testimony of witnesses and the production of  
850 papers, books and documents. Upon the failure of any person to  
851 comply with any subpoena or order issued under the authority of  
852 this section, the Commissioner of Insurance may invoke the aid of  
853 any court of the state of general jurisdiction. The court  
854 thereupon may order such person to comply with the requirements of

855 the subpoena or order to give evidence touching the matter in  
856 question. Failure to obey the order of the court may be punished  
857 by the court as a contempt thereof.

858 SECTION 27. Section 27-15-85, Mississippi Code of 1972, is  
859 amended as follows:

860 27-15-85. (1) Upon each incorporated insurance agency  
861 licensed to represent fire, casualty, liability, fidelity, surety,  
862 guaranty and inland marine insurance companies in municipalities  
863 of Classes 1, 2, 3 and 4..... \$100.00.

864 Upon each such incorporated insurance agency in  
865 municipalities of Classes 5, 6, 7 and elsewhere in the  
866 state..... \$ 50.00.

867 The license issued to such incorporated agency shall specify  
868 the type, types or kinds of insurance that such incorporated  
869 agency is licensed and qualified to transact. Every person acting  
870 as agent or solicitor for any such agency shall qualify under the  
871 provisions of House Bill No. 658, 2001 Regular Session; and no  
872 person shall be exempt from the privilege tax placed on insurance  
873 agents by this section by reason of the fact that he is a  
874 stockholder or officer in any such incorporated agency, or by  
875 reason of the fact that he represents such an agency, but every  
876 agent or solicitor, except two (2) executive officers of such  
877 agency, shall pay the privilege tax herein imposed.

878 (2) Upon each incorporated general agent, as defined in  
879 Section 83-17-1..... \$100.00.

880 (3) Upon each incorporated "supervising general agent" for  
881 life, health and accident insurers as defined in Section  
882 83-17-1..... \$100.00.

883 The privilege licenses issued under this section to  
884 "supervising general agents" shall not constitute authority to

885 solicit business within the State of Mississippi, and shall be  
886 renewed annually at the time and in the manner prescribed by  
887 Section 83-17-25 on application forms which shall be furnished by  
888 the Commissioner of Insurance and shall show the name of the  
889 insurance company or companies such "supervising general agent"  
890 represents, and other additional information as may be required by  
891 the Commissioner of Insurance.

892 SECTION 28. Section 27-15-87, Mississippi Code of 1972, is  
893 amended as follows:

894 27-15-87. Upon each fire, casualty, liability, fidelity,  
895 surety, guaranty and/or inland marine agent or solicitor when the  
896 total commission of the agency is in excess of Three Thousand  
897 Dollars (\$3,000.00) annually..... \$50.00.

898 Upon each such agent or solicitor when the total commission  
899 of the agency does not exceed Three Thousand Dollars (\$3,000.00)  
900 annually..... \$25.00.

901 Every agent or insurance solicitor for an agent, connected  
902 with any insurance agent, firm or corporation who solicits the  
903 sale of any of the above-named insurance, whether stock, mutual or  
904 reciprocal insurance carriers, directly or indirectly, shall be  
905 liable for the above tax.

906 Whenever a solicitor is employed by any such agent or agency  
907 to solicit business for its account, to be placed in the companies  
908 represented by said agent or agency, such agent or agency shall  
909 make application as provided for in Section 13(6) of House Bill  
910 No. 658, 2001 Regular Session, and Section 83-17-217, Mississippi  
911 Code of 1972, and pay the above tax on such solicitor and such  
912 license issued to him shall authorize such solicitor to solicit  
913 insurance for the agency.

914 At the time of the purchase of the license herein provided,

915 every person, firm, corporation or solicitor shall file an  
916 affidavit with the Insurance Commissioner of the state stating the  
917 amount of commissions earned by said agency (whether such agency  
918 be conducted by a person, firm or corporation) during the past  
919 year, and this affidavit shall be filed at least once each year,  
920 and in the event that the commissioner has reason to believe that  
921 such affidavit is incorrect, then in such event, said Insurance  
922 Commissioner may refuse to accept said affidavit and demand  
923 further proof as to the clarification of said person, firm or  
924 corporation applying for said license. If the applicant for said  
925 license was not engaged in the insurance business during the year  
926 preceding the application for said license, then, in such event,  
927 the affidavit shall show said fact, and the Insurance Commissioner  
928 shall issue to said applicant a yearly license at and for the sum  
929 of Twenty-five Dollars (\$25.00) as above provided.

930 SECTION 29. Section 27-15-89, Mississippi Code of 1972, is  
931 amended as follows:

932 27-15-89. (1) Upon each such unincorporated general agent  
933 as defined in Section 83-17-1..... \$50.00.

934 (2) Upon each traveling salaried representative, not  
935 otherwise taxed by this section, of underwriters, associations and  
936 reciprocal insurance exchanges \* \* \* and who is compensated on a  
937 commission basis..... \$50.00.

938 (3) Upon each traveling salaried representative, not  
939 otherwise taxed by this section, of underwriters, associations and  
940 reciprocal exchanges \* \* \* and who is compensated solely on a  
941 salaried basis..... \$20.00.

942 (4) Upon each unincorporated "supervising general agent" for  
943 life, health and accident insurers as defined in Section  
944 83-17-1..... \$50.00.

945           The privilege licenses issued under this section to  
946 "supervising general agents" shall not constitute authority to  
947 solicit business within the State of Mississippi, and shall be  
948 renewed annually at the time and in the manner prescribed by  
949 Section 83-17-25 on application forms which shall be furnished by  
950 the Commissioner of Insurance and shall show the name of the  
951 insurance company or companies such "supervising general agent"  
952 represents, and other additional information as may be required by  
953 the Commissioner of Insurance.

954           SECTION 30. Section 27-15-93, Mississippi Code of 1972, is  
955 amended as follows:

956           27-15-93. (1) Upon each incorporated insurance agency  
957 licensed to represent life, health or accident insurance  
958 companies..... \$ 25.00.

959           The license issued to such incorporated agency shall specify  
960 the type, types or kinds of insurance that such incorporated  
961 agency is licensed and qualified to transact. Every person acting  
962 as agent for any such agency shall qualify under the provisions of  
963 House Bill No. 658, 2001 Regular Session; and no person shall be  
964 exempt from the privilege tax placed on insurance agents by this  
965 section by reason of the fact that he is a stockholder or officer  
966 in any such incorporated agency, or by reason of the fact that he  
967 represents such an agency, but every agent shall pay the privilege  
968 tax herein imposed.

969           (2) Upon each incorporated supervising general agent, as  
970 defined in Section 83-17-1..... \$100.00.

971           (3) Upon each life insurance agent engaged exclusively in  
972 writing life insurance..... \$20.00.

973           And any life insurance company that knowingly issues a policy  
974 where the application has been submitted to it by an agent or



975 other person who has not paid all the taxes herein imposed upon  
976 each agent or person shall be liable for and pay to the state the  
977 sum of Fifty Dollars (\$50.00) for each policy written.

978         Provided, that any insurance agent who has paid the tax  
979 required as a life insurance agent, shall be permitted to write  
980 health, accident and industrial insurance without the payment of  
981 additional tax.

982         SECTION 31. Section 83-17-1, Mississippi Code of 1972, is  
983 amended as follows:

984         83-17-1. Whenever used in this chapter, the following words  
985 shall have the meanings ascribed herein unless the context clearly  
986 indicates otherwise:

987             (a) "Agent" means an insurance producer as defined in  
988 this section.

989             (b) "Insurance solicitor" refers to and includes any  
990 person directly connected with and principally employed by and  
991 authorized by an insurance agent to solicit and negotiate or  
992 assist in any manner in the sale and issuance of policies or  
993 contracts of insurance solely on behalf of such agents, and no  
994 license shall be renewed for any solicitor unless it is  
995 conclusively shown that more than fifty percent (50%) of his total  
996 annual employment income for the preceding year is derived from  
997 commissions on insurance. The agent appointing such solicitor  
998 shall be responsible for the acts of the solicitor. Any violation  
999 of the insurance laws by the solicitor may be grounds for  
1000 revocation of license of both the agent and the solicitor after  
1001 proper hearing. The commission of any unlawful act by the  
1002 solicitor shall be prima facie evidence that the agent had  
1003 knowledge of such act.

1004             (c) "Inactive agent" means an individual who is

1005 retired, disabled or has not obtained from the Commissioner of  
1006 Insurance a current continuous certificate. An inactive agent  
1007 shall not solicit new business or service existing businesses, but  
1008 may receive renewal commissions.

1009 (d) "Supervising general agent" refers to and includes  
1010 any person, partnership, association or corporation having  
1011 authority to serve as trustees, managers or administrators, except  
1012 attorneys at law, for such licensed insurance companies or their  
1013 insureds in the handling of insurance programs underwritten by  
1014 such licensed insurance companies, or in which they may be  
1015 participating.

1016 (e) "Excess risk" means all or any portion of an  
1017 insurance risk or contract of annuity for which application is  
1018 made to an agent and which exceeds the amount of insurance or  
1019 annuity which will be provided by the insurer for which such agent  
1020 is licensed.

1021 (f) "Rejected risk" means an insurance risk or annuity  
1022 contract for which application has been made to an agent and which  
1023 insurance or annuity contract is declined by the insurer for which  
1024 such agent is licensed.

1025 (g) "Insurance producer" means a person required to be  
1026 licensed under the laws of this state to sell, solicit or  
1027 negotiate insurance.

1028 (h) "Commissioner" means the Commissioner of Insurance  
1029 of the State of Mississippi.

1030 SECTION 32. Section 83-17-251, Mississippi Code of 1972, is  
1031 amended as follows:

1032 83-17-251. (1) Every individual seeking to be licensed as a  
1033 life, health and accident insurance producer in the State of  
1034 Mississippi, as a condition of issuance of an original license,

1035 must furnish the Commissioner of Insurance certification on a form  
1036 prescribed by the commissioner that he or she has completed an  
1037 approved prelicensing course of study for the line of insurance  
1038 requested.

1039 (2) The prelicensing course of study hours shall consist of  
1040 no less than twenty-four (24) classroom hours for life and/or  
1041 health/accident insurance or property and casualty insurance.  
1042 Twelve (12) classroom hours are required on life only; and twelve  
1043 (12) classroom hours are required for health/accident only.

1044 (3) Every individual seeking annual renewal of life, health  
1045 and accident licenses, or annual renewal of property and casualty  
1046 licenses, shall complete satisfactorily twelve (12) hours of study  
1047 in approved courses in his primary line of insurance during each  
1048 twelve-month period except the initially licensed year. The  
1049 individual may take an additional twelve (12) hours in his  
1050 secondary line of insurance.

1051 (4) The continuing educational requirements of this section  
1052 shall not apply to:

1053 (a) Any individual that is exempt from taking the  
1054 written examination as provided in Section 83-17-39(1)(b), (c) and  
1055 (e) of House Bill No. 658, 2001 Regular Session;

1056 (b) Any individual that is licensed with a license  
1057 limited to industrial life, industrial health and accident, small  
1058 loan property, industrial fire and full-coverage auto;

1059 (c) A person not a resident of this state who meets the  
1060 continuing educational requirement in the state in which such  
1061 person resides and Mississippi has a reciprocal agreement with  
1062 that state; or

1063 (d) Inactive agents as defined in Section 83-17-1.

1064 SECTION 33. Section 83-31-37, Mississippi Code of 1972, is

1065 amended as follows:

1066       83-31-37. Such mutual company shall comply with the  
1067 provisions of any law applicable to any stock insurance companies  
1068 effecting the same kind of insurance requiring that policies be  
1069 countersigned and delivered through a licensed agent. This  
1070 requirement shall not apply to any policy of such mutual company  
1071 on which no commission shall be paid to any local agent. Such  
1072 mutual company may insert, in any form of policy prescribed by the  
1073 law of this state, such provisions or conditions required by its  
1074 plan of insurance which are not inconsistent or in conflict with  
1075 any law of this state. Such policy, in lieu of conforming to the  
1076 language and form prescribed by such law, may conform thereto in  
1077 substance, if such policy includes a provision or endorsement  
1078 reciting that the policy shall be construed as if in the language  
1079 and form prescribed by such law, and a copy of such policy and  
1080 endorsement, if any, shall have been first filed with and shall  
1081 not have been disapproved by the commissioner.

1082       SECTION 34. Sections 83-17-9, 83-17-11, 83-17-15, 83-17-17,  
1083 83-17-23, 83-17-27, 83-17-29, 83-17-31, 83-17-33, 83-17-35,  
1084 83-17-101, 83-17-103, 83-17-105, 83-17-107, 83-17-109, 83-17-111,  
1085 83-17-113, 83-17-115, 83-17-117, 83-17-119, 83-17-121, 83-17-123,  
1086 83-17-125, 83-17-127, 83-17-129, 83-17-131, 83-17-133, 83-17-135,  
1087 83-17-201, 83-17-203, 83-17-205, 83-17-207, 83-17-209, 83-17-211,  
1088 83-17-213, 83-17-215, 83-17-217, 83-17-219, 83-17-221, 83-17-223,  
1089 83-17-301, 83-17-303, 83-17-305, 83-17-307, 83-17-309 and  
1090 83-21-15, Mississippi Code of 1972, which relate to the licensing  
1091 and regulation of insurance agents, are hereby repealed.

1092       SECTION 35. Sections 1 through 20 of this act shall be  
1093 codified as a separate article within Chapter 17 of Title 83,  
1094 Mississippi Code of 1972.

1095 SECTION 36. This act shall take effect and be in force from  
1096 and after January 1, 2002.

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

1 AN ACT TO PROVIDE PROCEDURES FOR THE LICENSING OF INSURANCE  
2 PRODUCERS; TO PROVIDE DEFINITIONS; TO PROVIDE FOR WRITTEN  
3 EXAMINATIONS AND FEES FOR LICENSURE OF INSURANCE PRODUCERS; TO  
4 PROVIDE CERTAIN EXEMPTIONS FROM THE WRITTEN EXAMINATION; TO  
5 PROVIDE FOR TEMPORARY LICENSURE; TO PROVIDE FOR A HEARING BEFORE  
6 THE INSURANCE COMMISSIONER FOR NONRENEWAL OR DENIAL OF LICENSE; TO  
7 REQUIRE LICENSURE BEFORE A PERSON MAY ACCEPT A COMMISSION FOR  
8 SELLING, SOLICITING OR NEGOTIATING INSURANCE IN THIS STATE; TO  
9 PROVIDE CERTAIN IMMUNITIES; TO PROVIDE CERTAIN PENALTIES; TO  
10 AUTHORIZE THE COMMISSIONER OF INSURANCE TO PROMULGATE REGULATIONS  
11 TO CARRY OUT THE PURPOSES OF THIS ACT; TO CREATE SECTIONS  
12 83-17-37, 83-17-39, 83-17-41, 83-17-43, 83-17-45 and 83-17-47,  
13 MISSISSIPPI CODE OF 1972, IN ORDER TO MOVE EXISTING LAW TO A  
14 DIFFERENT ARTICLE; TO AMEND SECTIONS 27-15-85, 27-15-87, 27-15-89,  
15 27-15-93, 83-17-1, 83-17-251 AND 83-31-37, MISSISSIPPI CODE OF  
16 1972, IN CONFORMITY THERETO; TO REPEAL SECTIONS 83-17-9, 83-17-11,  
17 83-17-15, 83-17-17, 83-17-23, 83-17-27, 83-17-29, 83-17-31,  
18 83-17-33, 83-17-35, 83-17-101, 83-17-103, 83-17-105, 83-17-107,  
19 83-17-109, 83-17-111, 83-17-113, 83-17-115, 83-17-117, 83-17-119,  
20 83-17-121, 83-17-123, 83-17-125, 83-17-127, 83-17-129, 83-17-131,  
21 83-17-133, 83-17-135, 83-17-201, 83-17-203, 83-17-205, 83-17-207,  
22 83-17-209, 83-17-211, 83-17-213, 83-17-215, 83-17-217, 83-17-219,  
23 83-17-221, 83-17-223, 83-17-301, 83-17-303, 83-17-305, 83-17-307,  
24 83-17-309 AND 83-21-15, MISSISSIPPI CODE OF 1972, WHICH RELATE TO  
25 THE LICENSING AND REGULATION OF INSURANCE AGENTS; AND FOR RELATED  
26 PURPOSES.