

By: Representatives Stevens, Chism,
Masterson, Montgomery (74th)

To: Insurance

HOUSE BILL NO. 675

1 AN ACT TO AMEND SECTION 83-19-69, MISSISSIPPI CODE OF 1972,
2 TO CLARIFY THAT DOMESTIC INSURERS ARE PROHIBITED FROM ENTERING
3 INTO CERTAIN CONTRACTS IN ANOTHER STATE OR JURISDICTION, UNLESS
4 SUCH INSURERS ARE AUTHORIZED PURSUANT TO THE LAWS OF THE OTHER
5 STATE OR JURISDICTION TO DO BUSINESS THEREIN; AND FOR RELATED
6 PURPOSES.

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

8 **SECTION 1.** Section 83-19-69, Mississippi Code of 1972, is
9 amended as follows:

10 83-19-69. Subject to the exceptions set forth herein, no
11 domestic insurer shall enter into a contract of insurance upon the
12 life or person of a resident of any other state or jurisdiction,
13 or covering property or risks located in any other state or
14 jurisdiction, unless such insurer is authorized pursuant to the
15 laws of the other state or jurisdiction to do business therein.

16 The following constitute the exceptions to the foregoing
17 provisions of this section:

18 (a) Life insurance contracts entered into where the
19 prospective insured is personally present in a state or
20 jurisdiction in which the insurer is authorized to do business
21 when he signs the application.

22 (b) Issuance of certificates under any lawfully
23 transacted group life, group accident, group health, or other
24 group disability policy, where the master policy is entered into
25 in a state or jurisdiction in which the insurer is authorized to
26 do business.

27 (c) Contracts made pursuant to a pension or retirement
28 plan of an employer, when such contracts are applied for in a



29 state or jurisdiction where the employer is personally present or
30 doing business and the insurer is authorized to do business.

31 (d) The renewal, reinstatement, conversion or
32 continuance in force with or without modification of contracts
33 otherwise lawfully entered into and which were not originally
34 executed in violation of this section, where the terms of such
35 policy as originally executed leave no option as to renewal,
36 reinstatement, or continuance in force to the insurer, but vest
37 such rights in the insured alone.

38 (e) Reinsurance contracts entered into upon request
39 from companies in other states or jurisdictions covering risks in
40 other states or jurisdictions, provided such companies requesting
41 reinsurance are licensed in the states or jurisdictions in which
42 the risks are located.

43 Any company willfully violating this section shall be
44 subject to suspension of its license to do business in this state
45 for a period of not more than one (1) year, after ten (10) days'
46 notice in writing and hearing by the Commissioner of Insurance.

47 **SECTION 2.** This act shall take effect and be in force from
48 and after July 1, 2002.

