

By: Representatives Montgomery (74th),
Stevens

To: Insurance

HOUSE BILL NO. 851

1 AN ACT TO PROVIDE THAT THE PROCEEDS OF A LIFE INSURANCE
2 POLICY BECOME DUE ON THE DATE OF THE DEATH OF THE INSURED; TO
3 REQUIRE THAT A CERTAIN RATE OF INTEREST SHALL BE PAID ON THE DEATH
4 PROCEEDS; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Proceeds of a life insurance policy shall become
7 due on the date of the death of the insured. Interest shall be
8 computed from such date until the date of payment at the rate of
9 four percent (4%) per annum, or at the current rate of interest
10 on death proceeds left on deposit with the insurer under an
11 interest settlement option, or at the current rate of interest on
12 dividends left on deposit with the insurer, whichever is greater.

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

