

By: Representatives Stevens, Chism, Dedeaux, Eads, Formby, Ketchings, Masterson, Montgomery (74th), Robinson (63rd), Robinson (84th), Simpson

To: Insurance

HOUSE BILL NO. 690

1 AN ACT TO AMEND SECTION 83-19-69, MISSISSIPPI CODE OF 1972,
2 TO PROHIBIT A DOMESTIC INSURANCE COMPANY FROM INSURING RISKS
3 OUTSIDE OF THE UNITED STATES UNLESS IT IS AUTHORIZED UNDER THE
4 LAWS OF THAT COUNTRY OR JURISDICTION TO DO BUSINESS THEREIN; AND
5 FOR RELATED PURPOSES.

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

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

9 83-19-69. Subject to the exceptions set forth herein, no
10 domestic insurer shall enter into a contract of insurance upon the
11 life or person of a resident of any other state, country or
12 jurisdiction or covering property or risks located in any other
13 state, country or jurisdiction unless such insurer is authorized
14 pursuant to the laws of such other state, country or jurisdiction
15 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 in which the
20 insurer is authorized to do business when he signs the
21 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 in which the insurer is authorized to do business.

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



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

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

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

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

45 **SECTION 2.** This act shall take effect and be in force from
46 and after July 1, 2003.

