HOUSE BILL NO. 1211

AN ACT TO AMEND SECTION 83-5-27, MISSISSIPPI CODE OF 1972, TO ALLOW PREFERRED INSURANCE RATES OR PREMIUMS BASED UPON FICTITIOUS GROUPING IF THE PREFERRED RATES OR PREMIUMS ARE ACTUARILY JUSTIFIED AND APPROVED BY THE COMMISSIONER OF INSURANCE; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 83-5-27, Mississippi Code of 1972, is amended as follows:

83-5-27. No stock, mutual, reciprocal, or other insurer shall make available to any resident or group of residents of this state, through any rating plan or form, fire, inland marine, casualty or surety insurance, or type or combination thereof, whether by master policy, series of policies, certificates of insurance, or otherwise, to any person, firm, corporation, or association of individuals, any preferred rate or premium based upon any fictitious grouping of such person, firm, corporation, or association of individuals, which fictitious grouping is hereby defined and declared to be any grouping by way of membership, license, franchise, agreement, or any other method or means created for the sole/primary purpose of procuring insurance or insurance benefits; provided, however, that the foregoing shall not apply to life, accident, health, and hospitalization insurance. Additionally, the foregoing shall not apply if such preferred rate or premium is actuarially justified and approved by the commissioner.

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