

By: Senator(s) Johnson (19th)

To: Insurance

SENATE BILL NO. 2090

1 AN ACT TO AMEND SECTIONS 83-17-25 AND 83-17-37, MISSISSIPPI  
2 CODE OF 1972, TO REQUIRE A BIENNIAL TERM FOR LICENSES ISSUED TO  
3 INSURANCE PRODUCERS; TO AMEND SECTION 83-17-251, MISSISSIPPI CODE  
4 OF 1972, IN CONFORMITY THERETO; TO BRING FORTH SECTIONS 27-15-89,  
5 27-15-87, 27-15-93 AND 27-15-95, MISSISSIPPI CODE OF 1972, FOR  
6 PURPOSES OF AMENDMENT; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 83-17-25, Mississippi Code of 1972, is  
9 amended as follows:

10 83-17-25. No certificate of authority shall be issued to any  
11 producer who has not previously obtained from the commissioner a  
12 privilege license to act as an insurance producer; provided that  
13 producers or organizers of fraternal orders shall not be required  
14 to have such privilege license. The privilege license required of  
15 an insurance producer shall continue for the next ensuing twenty-  
16 four (24) months after the producer's date of birth.

17 The privilege licenses and filing fees required of life  
18 insurance companies, health and accident insurance companies,  
19 hospital insurance companies and fraternal insurance  
20 companies \* \* \* shall continue for the next ensuing twelve (12)  
21 months after January 1 of each year.

22 The privilege licenses and filing fees required of fire,  
23 casualty, liability, fidelity, surety, guaranty, inland marine,  
24 plate glass and title insurance companies shall continue for the  
25 next ensuing twelve (12) months after June 1 of each year.

26 **SECTION 2.** Section 83-17-37, Mississippi Code of 1972, is  
27 amended as follows:



28           83-17-37. (1) Each license issued to a producer shall  
29 expire two (2) years after the producer's date of birth, unless  
30 prior thereto it is revoked or suspended by the commissioner.

31           (2) Each producer shall file an application for renewal of  
32 license on the form and in the manner prescribed by the  
33 commissioner for such purpose. Upon the filing of such  
34 application for renewal of license and the payment of the required  
35 fees, the current license shall continue to be in force until the  
36 renewal license is issued by the commissioner or until the  
37 commissioner has refused for cause to issue such renewal license,  
38 as provided in Section 83-17-71, and has given notice of such  
39 refusal in writing to the producer.

40           **SECTION 3.** Section 83-17-251, Mississippi Code of 1972, is  
41 amended as follows:

42           83-17-251. (1) Every individual seeking to be licensed as a  
43 life, health and accident insurance producer in the State of  
44 Mississippi, as a condition of issuance of an original license,  
45 must furnish the Commissioner of Insurance certification on a form  
46 prescribed by the commissioner that he or she has completed an  
47 approved prelicensing course of study for the line of insurance  
48 requested.

49           (2) The prelicensing course of study hours shall consist of  
50 no less than twenty-four (24) classroom hours for life and/or  
51 health/accident insurance or property and casualty insurance.  
52 Twelve (12) classroom hours are required on life only; and twelve  
53 (12) classroom hours are required for health/accident only.

54           (3) Every individual seeking biennial renewal of life,  
55 health and accident licenses, or biennial renewal of property and  
56 casualty licenses, shall complete satisfactorily twenty-four (24)  
57 hours of study in approved courses in his primary line of  
58 insurance during each twenty-four-month period except the  
59 initially licensed twenty-four-month period. The individual may



60 take an additional twelve (12) hours in his secondary line of  
61 insurance.

62 (4) The continuing educational requirements of this section  
63 shall not apply to:

64 (a) Any individual that is exempt from taking the  
65 written examination as provided in Section 83-17-39(1)(b), (c) and  
66 (e);

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

70 (c) A person not a resident of this state who meets the  
71 continuing educational requirement in the state in which such  
72 person resides and Mississippi has a reciprocal agreement with  
73 that state; or

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

75 **SECTION 4.** Section 27-15-89, Mississippi Code of 1972, is  
76 brought forward as follows:

77 27-15-89. (1) Upon each such unincorporated general agent  
78 as defined in Section 83-17-1..... \$ 50.00.

79 (2) Upon each traveling salaried representative, not  
80 otherwise taxed by this section, of underwriters, associations and  
81 reciprocal insurance exchanges and who is compensated on a  
82 commission basis..... \$ 50.00.

83 (3) Upon each traveling salaried representative, not  
84 otherwise taxed by this section, of underwriters, associations and  
85 reciprocal exchanges and who is compensated solely on a salaried  
86 basis..... \$ 20.00.

87 (4) Upon each unincorporated "supervising general agent" for  
88 life, health and accident insurers as defined in Section  
89 83-17-1..... \$ 50.00.

90 The privilege licenses issued under this section to  
91 "supervising general agents" shall not constitute authority to  
92 solicit business within the State of Mississippi, and shall be



93 renewed annually at the time and in the manner prescribed by  
94 Section 83-17-25 on application forms which shall be furnished by  
95 the Commissioner of Insurance and shall show the name of the  
96 insurance company or companies such "supervising general agent"  
97 represents, and other additional information as may be required by  
98 the Commissioner of Insurance.

99 **SECTION 5.** Section 27-15-87, Mississippi Code of 1972, is  
100 brought forward as follows:

101 27-15-87. Upon each fire, casualty, liability, fidelity,  
102 surety, guaranty and/or inland marine agent or solicitor when the  
103 total commission of the agency is in excess of Three Thousand  
104 Dollars (\$3,000.00) annually..... \$ 50.00.

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

108 Every agent or insurance solicitor for an agent, connected  
109 with any insurance agent, firm or corporation who solicits the  
110 sale of any of the above-named insurance, whether stock, mutual or  
111 reciprocal insurance carriers, directly or indirectly, shall be  
112 liable for the above tax.

113 Whenever a solicitor is employed by any such agent or agency  
114 to solicit business for its account, to be placed in the companies  
115 represented by said agent or agency, such agent or agency shall  
116 make application as provided for in Section 83-17-75(6), and  
117 Section 83-17-217, Mississippi Code of 1972, and pay the above tax  
118 on such solicitor and such license issued to him shall authorize  
119 such solicitor to solicit insurance for the agency.

120 At the time of the purchase of the license herein provided,  
121 every person, firm, corporation or solicitor shall file an  
122 affidavit with the Insurance Commissioner of the state stating the  
123 amount of commissions earned by said agency (whether such agency  
124 be conducted by a person, firm or corporation) during the past  
125 year, and this affidavit shall be filed at least once each year,



126 and in the event that the commissioner has reason to believe that  
127 such affidavit is incorrect, then in such event, said Insurance  
128 Commissioner may refuse to accept said affidavit and demand  
129 further proof as to the clarification of said person, firm or  
130 corporation applying for said license. If the applicant for said  
131 license was not engaged in the insurance business during the year  
132 preceding the application for said license, then, in such event,  
133 the affidavit shall show said fact, and the Insurance Commissioner  
134 shall issue to said applicant a yearly license at and for the sum  
135 of Twenty-five Dollars (\$25.00) as above provided.

136 **SECTION 6.** Section 27-15-93, Mississippi Code of 1972, is  
137 brought forward as follows:

138 27-15-93. (1) Upon each incorporated insurance agency  
139 licensed to represent life, health or accident insurance  
140 companies..... \$ 25.00.

141 The license issued to such incorporated agency shall specify  
142 the type, types or kinds of insurance that such incorporated  
143 agency is licensed and qualified to transact. Every person acting  
144 as agent for any such agency shall qualify under the provisions of  
145 Laws, 2001, Chapter 510; and no person shall be exempt from the  
146 privilege tax placed on insurance agents by this section by reason  
147 of the fact that he is a stockholder or officer in any such  
148 incorporated agency, or by reason of the fact that he represents  
149 such an agency, but every agent shall pay the privilege tax herein  
150 imposed.

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

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

155 And any life insurance company that knowingly issues a policy  
156 where the application has been submitted to it by an agent or  
157 other person who has not paid all the taxes herein imposed upon



158 each agent or person shall be liable for and pay to the state the  
159 sum of Fifty Dollars (\$50.00) for each policy written.

160         Provided, that any insurance agent who has paid the tax  
161 required as a life insurance agent, shall be permitted to write  
162 health, accident and industrial insurance without the payment of  
163 additional tax.

164         **SECTION 7.** Section 27-15-95, Mississippi Code of 1972, is  
165 brought forward as follows:

166         27-15-95. Upon each person, other than an incorporated  
167 insurance agency taxed under Section 27-15-93, writing health and  
168 accident, or industrial life insurance..... \$ 20.00.

169         **SECTION 8.** This act shall take effect and be in force from  
170 and after July 1, 2003.

