

By: Senator(s) Johnson (19th)

To: Insurance

COMMITTEE SUBSTITUTE  
FOR  
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 AMEND SECTIONS 27-15-89,  
5 27-15-87, 27-15-93 AND 27-15-95, MISSISSIPPI CODE OF 1972, TO  
6 REVISE THE LICENSING FEES PAID BY INSURANCE PRODUCERS TO CONFORM  
7 TO THE BIENNIAL TERM; AND FOR RELATED PURPOSES.

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

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

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

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

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

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



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

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

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

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

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

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



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

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

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

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

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

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

76 **SECTION 4.** Section 27-15-89, Mississippi Code of 1972, is  
77 amended as follows:

78 27-15-89. (1) Upon each such unincorporated general agent  
79 as defined in Section 83-17-1 (paid biennially)..... \$100.00.

80 (2) Upon each traveling salaried representative, not  
81 otherwise taxed by this section, of underwriters, associations and  
82 reciprocal insurance exchanges and who is compensated on a  
83 commission basis (paid biennially)..... \$100.00.

84 (3) Upon each traveling salaried representative, not  
85 otherwise taxed by this section, of underwriters, associations and  
86 reciprocal exchanges and who is compensated solely on a salaried  
87 basis (paid biennially)..... \$ 40.00.

88 (4) Upon each unincorporated "supervising general agent" for  
89 life, health and accident insurers as defined in Section  
90 83-17-1 (paid biennially)..... \$100.00.

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



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

100       **SECTION 5.** Section 27-15-87, Mississippi Code of 1972, is  
101 amended as follows:

102       27-15-87. Upon each fire, casualty, liability, fidelity,  
103 surety, guaranty and/or inland marine agent or solicitor when the  
104 total commission of the agency is in excess of Three Thousand  
105 Dollars (\$3,000.00) annually (paid biennially)..... \$100.00.

106       Upon each such agent or solicitor when the total commission  
107 of the agency does not exceed Three Thousand Dollars (\$3,000.00)  
108 annually (paid biennially)..... \$ 50.00.

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

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

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



127 and in the event that the commissioner has reason to believe that  
128 such affidavit is incorrect, then in such event, said Insurance  
129 Commissioner may refuse to accept said affidavit and demand  
130 further proof as to the clarification of said person, firm or  
131 corporation applying for said license. \* \* \*

132 **SECTION 6.** Section 27-15-93, Mississippi Code of 1972, is  
133 amended as follows:

134 27-15-93. (1) Upon each incorporated insurance agency  
135 licensed to represent life, health or accident insurance  
136 companies..... \$ 25.00.

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

147 (2) Upon each incorporated supervising general agent, as  
148 defined in Section 83-17-1 (paid biennially)..... \$200.00.

149 (3) Upon each life insurance agent engaged exclusively in  
150 writing life insurance (paid biennially)..... \$ 40.00.

151 And any life insurance company that knowingly issues a policy  
152 where the application has been submitted to it by an agent or  
153 other person who has not paid all the taxes herein imposed upon  
154 each agent or person shall be liable for and pay to the state the  
155 sum of Fifty Dollars (\$50.00) for each policy written.

156 Provided, that any insurance agent who has paid the tax  
157 required as a life insurance agent, shall be permitted to write  
158 health, accident and industrial insurance without the payment of  
159 additional tax.



160           **SECTION 7.** Section 27-15-95, Mississippi Code of 1972, is  
161 amended as follows:

162           27-15-95. Upon each person, other than an incorporated  
163 insurance agency taxed under Section 27-15-93, writing health and  
164 accident, or industrial life insurance (paid biennially).....  
165 ..... \$ 40.00.

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

