

By: Senator(s) Kirby

To: Insurance

SENATE BILL NO. 2264

1 AN ACT TO AMEND SECTION 83-30-51, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT A LARGER FRATERNAL BENEFIT SOCIETY SHALL BE HELD  
3 TO BE LEGALLY SOLVENT AS LONG AS THE FUNDS BELONGING TO THE  
4 SOCIETY ARE EQUAL TO OR IN EXCESS OF ITS MATURED LIABILITIES; AND  
5 FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 83-30-51, Mississippi Code of 1972, is  
8 amended as follows:

9 83-30-51. (1) Every society transacting business in this  
10 state shall annually, on or before March 1, unless for cause  
11 shown such time has been extended by the commissioner, file with  
12 the commissioner a true statement of its financial condition,  
13 transactions and affairs for the preceding calendar year. The  
14 statement shall be in general form and context as approved by the  
15 National Association of Insurance Commissioners for fraternal  
16 benefit societies and as supplemented by additional information  
17 required by the commissioner.

18 (2) As part of the annual statement herein required, each  
19 society shall, on or before March 1, file with the commissioner a  
20 valuation of its certificates in force on December 31 last  
21 preceding, provided the commissioner may, in his or her  
22 discretion for cause shown, extend the time for filing such  
23 valuation for not more than two (2) calendar months. Such  
24 valuation shall be done in accordance with the standards  
25 specified in Section 83-30-49. Such valuation and underlying  
26 data shall be certified by a qualified actuary or, at the expense  
27 of the society, verified by the actuary of the department of  
28 insurance of the state of domicile of the society. This



29 valuation shall not be considered or regarded as a test of the  
30 financial solvency of the society, but as an indication of the  
31 ability of the society to pay the benefits promised under its  
32 certificates without change in benefits or in rates of  
33 contribution; and each society shall be held to be legally  
34 solvent as long as the funds belonging to the society are equal  
35 to or in excess of its matured liabilities.

36 (3) A society neglecting to file the annual statement in the  
37 form and within the time provided by this section may be subject  
38 to a fine of One Hundred Dollars (\$100.00) for each day during  
39 which such neglect continues, and its authority to do business in  
40 this state may be suspended by the commissioner while such default  
41 continues.

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

