

*****Adopted*****

AMENDMENT No. 1 PROPOSED TO

House Bill NO. 689

By Senator(s) Johnson(19)

1 **Amend by inserting the following sections after line 28 and**
2 **renumber any subsequent sections:**

3 **SECTION *.** Section 83-17-25, Mississippi Code of 1972, is
4 amended as follows:

5 83-17-25. No certificate of authority shall be issued to any
6 producer who has not previously obtained from the commissioner a
7 privilege license to act as an insurance producer; provided that
8 producers or organizers of fraternal orders shall not be required
9 to have such privilege license. The privilege license required of
10 an insurance producer shall continue for the next ensuing
11 twenty-four (24) months after the producer's date of birth.

12 The privilege licenses and filing fees required of life
13 insurance companies, health and accident insurance companies,
14 hospital insurance companies and fraternal insurance
15 companies * * * shall continue for the next ensuing twelve (12)
16 months after January 1 of each year.

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

21 **SECTION *.** Section 83-17-37, Mississippi Code of 1972, is
22 amended as follows:

23 83-17-37. (1) Each license issued to a producer shall

24 expire two (2) years after the producer's date of birth, unless
25 prior thereto it is revoked or suspended by the commissioner.

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

35 **SECTION *.** Section 83-17-251, Mississippi Code of 1972, is
36 amended as follows:

37 83-17-251. (1) Every individual seeking to be licensed as a
38 life, health and accident insurance producer in the State of
39 Mississippi, as a condition of issuance of an original license,
40 must furnish the Commissioner of Insurance certification on a form
41 prescribed by the commissioner that he or she has completed an
42 approved prelicensing course of study for the line of insurance
43 requested.

44 (2) The prelicensing course of study hours shall consist of
45 no less than twenty-four (24) classroom hours for life and/or
46 health/accident insurance or property and casualty insurance.
47 Twelve (12) classroom hours are required on life only; and twelve
48 (12) classroom hours are required for health/accident only.

49 (3) Every individual seeking biennial renewal of life,
50 health and accident licenses, or biennial renewal of property and
51 casualty licenses, shall complete satisfactorily twenty-four (24)
52 hours of study in approved courses in his primary line of
53 insurance during each twenty-four-month period except the
54 initially licensed twenty-four-month period. The individual may
55 take an additional twelve (12) hours in his secondary line of
56 insurance.

57 (4) The continuing educational requirements of this section
58 shall not apply to:

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

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

65 (c) A person not a resident of this state who meets the
66 continuing educational requirement in the state in which such
67 person resides and Mississippi has a reciprocal agreement with
68 that state; or

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

70 **SECTION *.** Section 27-15-89, Mississippi Code of 1972, is
71 amended as follows:

72 27-15-89. (1) Upon each such unincorporated general agent
73 as defined in Section 83-17-1 (paid biennially)..... \$100.00.

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

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

82 (4) Upon each unincorporated "supervising general agent" for
83 life, health and accident insurers as defined in Section
84 83-17-1 (paid biennially)..... \$100.00.

85 The privilege licenses issued under this section to
86 "supervising general agents" shall not constitute authority to
87 solicit business within the State of Mississippi, and shall be
88 renewed annually at the time and in the manner prescribed by
89 Section 83-17-25 on application forms which shall be furnished by
90 the Commissioner of Insurance and shall show the name of the
91 insurance company or companies such "supervising general agent"
92 represents, and other additional information as may be required by
93 the Commissioner of Insurance.

94 **SECTION *.** Section 27-15-87, Mississippi Code of 1972, is
95 amended as follows:

96 27-15-87. Upon each fire, casualty, liability, fidelity,
97 surety, guaranty and/or inland marine agent or solicitor when the
98 total commission of the agency is in excess of Three Thousand
99 Dollars (\$3,000.00) annually (paid biennially)..... \$100.00.

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

103 Every agent or insurance solicitor for an agent, connected
104 with any insurance agent, firm or corporation who solicits the
105 sale of any of the above-named insurance, whether stock, mutual or
106 reciprocal insurance carriers, directly or indirectly, shall be
107 liable for the above tax.

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

115 At the time of the purchase of the license herein provided,
116 every person, firm, corporation or solicitor shall file an
117 affidavit with the Insurance Commissioner of the state stating the
118 amount of commissions earned by said agency (whether such agency
119 be conducted by a person, firm or corporation) during the past
120 year, and this affidavit shall be filed at least once each year,
121 and in the event that the commissioner has reason to believe that
122 such affidavit is incorrect, then in such event, said Insurance
123 Commissioner may refuse to accept said affidavit and demand
124 further proof as to the clarification of said person, firm or
125 corporation applying for said license. * * *

126 **SECTION *.** Section 27-15-93, Mississippi Code of 1972, is
127 amended as follows:

128 27-15-93. (1) Upon each incorporated insurance agency

129 licensed to represent life, health or accident insurance
130 companies..... \$ 25.00.

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

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

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

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

150 Provided, that any insurance agent who has paid the tax
151 required as a life insurance agent, shall be permitted to write
152 health, accident and industrial insurance without the payment of
153 additional tax.

154 **SECTION *.** Section 27-15-95, Mississippi Code of 1972, is
155 amended as follows:

156 27-15-95. Upon each person, other than an incorporated
157 insurance agency taxed under Section 27-15-93, writing health and
158 accident, or industrial life insurance (paid biennially).....
159 \$ 40.00.

160 **Further, amend the title by inserting after the semicolon on line**
161 **3 the following:**

162 TO AMEND SECTIONS 83-17-25 AND 83-17-37, MISSISSIPPI CODE OF 1972,
163 TO REQUIRE A BIENNIAL TERM FOR LICENSES ISSUED TO INSURANCE

164 PRODUCERS; TO AMEND SECTION 83-17-251, MISSISSIPPI CODE OF 1972,
165 IN CONFORMITY THERETO; TO AMEND SECTIONS 27-15-89, 27-15-87,
166 27-15-93 AND 27-15-95, MISSISSIPPI CODE OF 1972, TO REVISE THE
167 LICENSING FEES PAID BY INSURANCE PRODUCERS TO CONFORM TO THE
168 BIENNIAL TERM;