

By: Representative Stevens

To: Insurance; Ways and  
Means

## HOUSE BILL NO. 344

1 AN ACT TO AMEND SECTION 27-15-83, MISSISSIPPI CODE OF 1972,  
 2 TO REVISE THE PRIVILEGE TAX ON FOREIGN INSURANCE COMPANIES; TO  
 3 AMEND SECTION 27-15-85, MISSISSIPPI CODE OF 1972, TO REVISE THE  
 4 PRIVILEGE TAX ON INCORPORATED INSURANCE AGENCIES AND GENERAL  
 5 AGENCIES; TO AMEND SECTION 27-15-87, MISSISSIPPI CODE OF 1972, TO  
 6 REVISE THE PRIVILEGE TAX ON FIRE, CASUALTY, LIABILITY, FIDELITY,  
 7 SURETY, GUARANTY OR INLAND MARINE AGENTS OR SOLICITORS; TO AMEND  
 8 SECTION 27-15-93, MISSISSIPPI CODE OF 1972, TO REVISE THE  
 9 PRIVILEGE TAX ON INCORPORATED LIFE, HEALTH OR ACCIDENT INSURANCE  
 10 AGENCIES; TO AMEND SECTION 27-15-95, MISSISSIPPI CODE OF 1972, TO  
 11 REVISE THE PRIVILEGE TAX ON HEALTH, ACCIDENT AND INDUSTRIAL LIFE  
 12 INSURANCE AGENTS; TO AMEND SECTION 27-59-11, MISSISSIPPI CODE OF  
 13 1972, TO REVISE THE TAX LEVIED UPON LIQUEFIED COMPRESSED GAS  
 14 DISTRIBUTORS; TO AMEND SECTION 83-2-35, MISSISSIPPI CODE OF 1972,  
 15 TO REVISE THE FEE FOR EACH FORM OR RATE FILING FILED WITH THE  
 16 COMMISSIONER OF INSURANCE; TO AMEND SECTION 83-5-73, MISSISSIPPI  
 17 CODE OF 1972, TO REVISE THE GENERAL FEES PAID TO THE COMMISSIONER  
 18 OF INSURANCE; TO AMEND SECTION 83-5-75, MISSISSIPPI CODE OF 1972,  
 19 TO REVISE THE FEES PAID BY FRATERNAL ORDERS; TO AMEND SECTION  
 20 83-5-77, MISSISSIPPI CODE OF 1972, TO REVISE THE FEES FOR  
 21 PUBLICATION OF ANNUAL STATEMENTS; TO AMEND SECTION 83-7-17,  
 22 MISSISSIPPI CODE OF 1972, TO REVISE THE FEE FOR COMMISSIONER'S  
 23 APPROVAL OF THE FORM OF LIFE INSURANCE POLICIES; TO AMEND SECTION  
 24 83-9-3, MISSISSIPPI CODE OF 1972, TO REVISE THE FEE FOR  
 25 COMMISSIONER'S APPROVAL OF THE FORM OF HEALTH AND ACCIDENT  
 26 POLICIES; TO AMEND SECTION 83-11-237, MISSISSIPPI CODE OF 1972, TO  
 27 REVISE THE ANNUAL REGISTRATION FEE FOR AUTOMOBILE CLUB AGENTS; TO  
 28 AMEND SECTION 83-11-243, MISSISSIPPI CODE OF 1972, TO IMPOSE A FEE  
 29 FOR THE FILING OF FINANCIAL STATEMENTS BY AUTOMOBILE CLUBS; TO  
 30 AMEND SECTION 83-18-27, MISSISSIPPI CODE OF 1972, TO IMPOSE A FEE  
 31 FOR THE FILING OF ANNUAL REPORTS BY INSURANCE ADMINISTRATORS; TO  
 32 AMEND SECTION 83-21-17, MISSISSIPPI CODE OF 1972, TO REVISE THE  
 33 ANNUAL FEE ON NONADMITTED INSURERS FOR CERTIFICATION REVIEW; TO  
 34 AMEND SECTION 83-49-7, MISSISSIPPI CODE OF 1972, TO REVISE THE  
 35 ANNUAL LICENSE FEE REQUIRED FOR SPONSORS OTHER THAN INSURERS; TO  
 36 AMEND SECTION 83-49-47, MISSISSIPPI CODE OF 1972, TO REVISE THE  
 37 ANNUAL LICENSE FEE FOR AGENTS OR REPRESENTATIVES OF SPONSORS; AND  
 38 FOR RELATED PURPOSES.

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

40 **SECTION 1.** Section 27-15-83, Mississippi Code of 1972, is  
 41 amended as follows:

42 27-15-83. (1) Upon each foreign insurance company licensed  
 43 as a single line company defined under Section 83-19-1, the  
 44 privilege tax is as follows:

45 (a) Fire and Allied Lines and/or

46	Industrial Fire.....	\$ <u>400.00</u>
47	(b) Casualty/Liability.....	\$ <u>400.00</u>
48	(c) Fidelity and/or Surety.....	\$ <u>400.00</u>
49	(d) Workers' Compensation.....	\$ <u>400.00</u>
50	(e) Boiler and Machinery.....	\$ <u>400.00</u>
51	(f) Plate Glass.....	\$ <u>400.00</u>
52	(g) Aircraft.....	\$ <u>400.00</u>
53	(h) Inland Marine and/or Ocean Marine.....	\$ <u>400.00</u>
54	(i) Automobile Physical Damage/Automobile	
55	Liability.....	\$ <u>400.00</u>
56	(j) Homeowners/Farmowners.....	\$ <u>400.00</u>
57	(k) Guaranty/Mortgage Guaranty.....	\$ <u>400.00</u>
58	(l) Trip Accident and Baggage.....	\$ <u>400.00</u>
59	(m) Legal.....	\$ <u>400.00</u>
60	(n) Life and/or Accident and Health;	
61	Credit Life, Accident and Health;	
62	Industrial Life, Accident and Health;	
63	and Variable Contracts.....	\$ <u>400.00</u>
64	(o) Title.....	\$ <u>400.00</u>
65	(p) Fraternal.....	\$ <u>100.00</u>

66 (2) For any combination of classifications of a foreign  
67 insurance company, the privilege tax for a multiple line company  
68 shall be Six Hundred Fifty Dollars (\$650.00).

69 (3) Any stock, mutual, reciprocal or reinsurance company  
70 shall pay the appropriate privilege tax for each line of insurance  
71 the company is licensed to underwrite.

72 (4) For each domestic insurance which has its home office  
73 located in Mississippi, the privilege tax shall be one-half (1/2)  
74 of the fees listed in this section.

75 (5) Each insurance company or association which amends its  
76 privilege license shall pay a fee of Fifty Dollars (\$50.00).

77 **SECTION 2.** Section 27-15-85, Mississippi Code of 1972, is  
78 amended as follows:

79           27-15-85. (1) Upon each incorporated insurance agency  
80 licensed to represent fire, casualty, liability, fidelity, surety,  
81 guaranty and inland marine insurance companies \* \* \*..... \$100.00.

82       \* \* \*

83           The license issued to such incorporated agency shall specify  
84 the type, types or kinds of insurance that such incorporated  
85 agency is licensed and qualified to transact. Every person acting  
86 as agent or solicitor for any such agency shall qualify under the  
87 provisions of Laws, 2001, Chapter 520; and no person shall be  
88 exempt from the privilege tax placed on insurance agents by this  
89 section by reason of the fact that he is a stockholder or officer  
90 in any such incorporated agency, or by reason of the fact that he  
91 represents such an agency \* \* \*.

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

94           (3) Upon each incorporated "supervising general agent" for  
95 life, health and accident insurers as defined in Section  
96 83-17-1..... \$100.00.

97           The privilege licenses issued under this section to  
98 "supervising general agents" shall not constitute authority to  
99 solicit business within the State of Mississippi, and shall be  
100 renewed annually at the time and in the manner prescribed by  
101 Section 83-17-25 on application forms which shall be furnished by  
102 the Commissioner of Insurance and shall show the name of the  
103 insurance company or companies such "supervising general agent"  
104 represents, and other additional information as may be required by  
105 the Commissioner of Insurance.

106           **SECTION 3.** Section 27-15-87, Mississippi Code of 1972, is  
107 amended as follows:

108           27-15-87. \* \* \* Each fire, casualty, liability, fidelity,  
109 surety, guaranty and/or inland marine agent or  
110 solicitor \* \* \*..... \$50.00.

111       \* \* \*

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

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

124 \* \* \*

125 **SECTION 4.** Section 27-15-93, Mississippi Code of 1972, is  
126 amended as follows:

127 27-15-93. (1) Upon each incorporated insurance agency  
128 licensed to represent life, health or accident insurance  
129 companies..... \$100.00.

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

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

142 (3) Upon each life insurance agent engaged exclusively in  
143 writing life insurance..... \$ 50.00.

144           \* \* \* Any life insurance company that knowingly issues a  
145 policy where the application has been submitted to it by an agent  
146 or other person who has not paid all the taxes herein imposed upon  
147 each agent or person shall be liable for and pay to the state the  
148 sum of One Hundred Dollars (\$100.00) for each policy written.

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

153           **SECTION 5.** Section 27-15-95, Mississippi Code of 1972, is  
154 amended as follows:

155           27-15-95. Upon each person, other than an incorporated  
156 insurance agency taxed under Section 27-15-93, writing health and  
157 accident, or industrial life insurance..... \$ 50.00.

158           **SECTION 6.** Section 27-59-11, Mississippi Code of 1972, is  
159 amended as follows:

160           27-59-11. (1) A tax at the rate of Thirty-five  
161 ten-thousandths of One Cent (0.0035¢) per gallon is hereby levied  
162 upon any person engaged in business as a distributor of compressed  
163 gas, excepting natural gas, for the privilege of engaging in such  
164 business or acting as such distributor. The tax shall be based on  
165 all compressed gas, excepting natural gas, stored, used,  
166 distributed, manufactured, refined, distilled, blended or  
167 compounded in this state or received in this state for sale,  
168 storage, distribution or for any other purpose.

169           The tax levied herein shall become due and payable when:

170           (a) Compressed gas is withdrawn from storage at a  
171 refinery, marine or pipeline terminal, or underground caverns or  
172 cavities except when withdrawal is by pipeline or barge;

173           (b) Compressed gas imported by a common carrier is  
174 unloaded by that carrier unless the compressed gas is unloaded  
175 directly into an underground cavern or cavity for storage or

176 directly into the storage tanks of a refinery, marine or pipeline  
177 terminal; or

178 (c) Compressed gas imported by any person, other than a  
179 common carrier, enters the State of Mississippi, unless the  
180 compressed gas is unloaded directly into an underground cavern or  
181 cavity for storage or directly into the storage tanks of a  
182 refinery, marine or pipeline terminal.

183 (2) A tax at the rate of Seventeen Cents (17¢) per gallon  
184 until the date specified in Section 65-39-35, and Thirteen and  
185 Four-tenths Cents (13.4¢) per gallon thereafter, is levied upon  
186 any distributor of compressed gas for the privilege of engaging in  
187 the business of selling or delivering compressed gas, excepting  
188 compressed natural gas and liquefied natural gas, for use in a  
189 motor vehicle or motor vehicles on the highways of this state. A  
190 tax at the rate of Eighteen Cents (18¢) per one hundred (100)  
191 cubic feet until the date specified in Section 65-39-35, and  
192 Fourteen and Four-tenths Cents (14.4¢) per one hundred (100) cubic  
193 feet thereafter, is levied upon any distributor of compressed gas  
194 for the privilege of engaging in the business of selling or  
195 delivering compressed natural gas and liquefied natural gas for  
196 use in a motor vehicle or motor vehicles on the highways of this  
197 state. A tax at the rate of Eighteen Cents (18¢) per one hundred  
198 (100) cubic feet until the date specified in Section 65-39-35, and  
199 Fourteen and Four-tenths Cents (14.4¢) per one hundred (100) cubic  
200 feet thereafter, is levied upon any public utility for the  
201 privilege of engaging in the business of selling or delivering  
202 natural gas to a user for the purpose of being used as a fuel in a  
203 motor vehicle or motor vehicles on the highways of this state, and  
204 the taxes shall be collected from the user whenever practical.  
205 The taxes levied in this subsection shall not apply when sales or  
206 deliveries are made to persons who are holders of permitted  
207 compressed gas user's decals.

208           (3) Upon every person operating on the highways of this  
209 state a motor vehicle or motor vehicles using or capable of using  
210 compressed gas as a motor fuel and having a gross license tag  
211 weight classification of ten thousand (10,000) pounds or less,  
212 there is hereby levied an annual privilege tax of One Hundred  
213 Ninety-five Dollars (\$195.00) until the date specified in Section  
214 65-39-35, and One Hundred Sixty-five Dollars (\$165.00) thereafter.

215           (4) Upon every person operating on the highways of this  
216 state a motor vehicle or motor vehicles using or capable of using  
217 compressed gas and having a gross license tag weight  
218 classification greater than ten thousand (10,000) pounds, there is  
219 hereby levied a privilege tax of Seventeen Cents (17¢) per gallon  
220 until the date specified in Section 65-39-35, and Thirteen and  
221 Four-tenths Cents (13.4¢) per gallon thereafter, on all compressed  
222 gas, excepting compressed natural gas and liquefied natural gas,  
223 used on the highways of this state. There is hereby levied a  
224 privilege tax of Eighteen Cents (18¢) per one hundred (100) cubic  
225 feet until the date specified in Section 65-39-35, and Fourteen  
226 and Four-tenths Cents (14.4¢) per one hundred (100) cubic feet  
227 thereafter, on all compressed natural gas and liquefied natural  
228 gas used on the highways of this state. The taxes levied in this  
229 paragraph shall not apply to owners or operators classified by the  
230 commission as nonpermitted users.

231           (5) All owners and operators of motor vehicles that have a  
232 gross license tag weight classification greater than ten thousand  
233 (10,000) pounds, but not exceeding twenty thousand (20,000) pounds  
234 shall prepay Two Hundred Twenty-five Dollars (\$225.00) of such tax  
235 annually, and all owners and operators of motor vehicles that have  
236 a gross license tag weight classification greater than twenty  
237 thousand (20,000) pounds shall prepay Three Hundred Dollars  
238 (\$300.00) of such tax annually. On motor vehicles that have a  
239 gross license tag weight exceeding ten thousand (10,000) pounds,  
240 that are exclusively used by a farmer for transporting farm

241 products produced on his own farm and also farm supplies,  
242 materials and equipment used in the growing or production of his  
243 agricultural products and have a "farm" or "F" motor vehicle  
244 license tag, the prepaid portion of said privilege tax shall be  
245 One Hundred Fifty Dollars (\$150.00).

246 (6) The commission, in its discretion, may authorize or  
247 require the owner or operator of five (5) or more motor vehicles  
248 that use or are capable of using compressed gas on the highway to  
249 pay the excise tax on all compressed gas purchased for any purpose  
250 and the excise tax shall be collected by the distributor of  
251 compressed gas at the time of sale or delivery. The owners or  
252 operators authorized or required to do so shall be classified as  
253 nonpermitted users.

254 **SECTION 7.** Section 83-2-35, Mississippi Code of 1972, is  
255 amended as follows:

256 83-2-35. (1) This section applies to all forms of property  
257 and casualty insurance on risks or operations in this state by any  
258 insurer authorized to do business in this state, except:

- 259 (a) Accident and health;
- 260 (b) Ocean marine insurance;
- 261 (c) Reinsurance;
- 262 (d) Aircraft liability and aircraft hull insurance;
- 263 (e) Title insurance;
- 264 (f) Credit accident and health insurance.

265 (2) All such insurers shall pay to the Commissioner of  
266 Insurance a fee of Twenty-five Dollars (\$25.00) for each form or  
267 rate filing filed with the commissioner. The commissioner shall  
268 pay such fees into the special fund in the State Treasury  
269 designated as the "Insurance Department Fund."

270 **SECTION 8.** Section 83-5-73, Mississippi Code of 1972, is  
271 amended as follows:

272 83-5-73. The commissioner shall collect and pay into the  
273 special fund in the State Treasury designated as the "Insurance



274 Department Fund" the following fees: for certificate of authority  
275 to each \* \* \* agent or manager, Twenty Dollars (\$20.00); for  
276 filing and processing an agent's certificate of authority \* \* \*,  
277 Twenty Dollars (\$20.00); for filing and examining statement  
278 preliminary to admission, One Thousand Dollars (\$1,000.00); for  
279 filing and processing a Form A application, Two Thousand Dollars  
280 (\$2,000.00); for filing and auditing annual statement, Five  
281 Hundred Dollars (\$500.00); for filing any other paper required by  
282 law, Fifty Dollars (\$50.00); for continuing education courses or  
283 programs filed by the providers for approval, Fifty Dollars  
284 (\$50.00); for each certification company licensed status, Forty  
285 Dollars (\$40.00); for each seal when required, Twenty Dollars  
286 (\$20.00); for service of process on the commissioner as attorney,  
287 Twenty-five Dollars (\$25.00).

288 **SECTION 9.** Section 83-5-75, Mississippi Code of 1972, is  
289 amended as follows:

290 83-5-75. For all larger fraternal orders, as defined in  
291 Section 83-30-1, the commissioner shall collect charges as  
292 provided in Section 83-5-73, as well as all other fees and charges  
293 due and payable by any company, association, order or individual  
294 in his department. If a fraternal order is not a larger fraternal  
295 order under Section 83-30-1, the commissioner shall collect the  
296 following charges: for filing charter, etc., of fraternal orders  
297 doing an insurance business, preliminary to admission, Twenty-five  
298 Dollars (\$25.00); for filing and auditing annual statement, Ten  
299 Dollars (\$10.00); all other fees and charges due and payable by  
300 any company, association, order, or individual in his department.

301 **SECTION 10.** Section 83-5-77, Mississippi Code of 1972, is  
302 amended as follows:

303 83-5-77. For publication of annual statement, there shall be  
304 an Eighty Dollar (\$80.00) fee of which Forty Dollars (\$40.00)  
305 shall be paid to the publishers and Forty Dollars (\$40.00) shall  
306 be paid to the special fund in the State Treasury designated as

307 the "Insurance Department Fund." The commissioner shall receive  
308 for copy of any record or paper in his office, Fifty Cents (50¢)  
309 per page, and Twenty Dollars (\$20.00) for certifying same, or any  
310 fact or data from the records of the office.

311 **SECTION 11.** Section 83-7-17, Mississippi Code of 1972, is  
312 amended as follows:

313 83-7-17. All life insurance companies other than fraternal  
314 beneficiary associations, authorized to do the business of life  
315 insurance in this state, are hereby required to print or stamp in  
316 conspicuous type on the face or first page of each and every  
317 policy sold to citizens of this state words indicating correctly  
318 and fully the kind and character of the policy. The same words  
319 shall also be printed or stamped on the back or title page of  
320 every such policy so that they may be easily seen and read when  
321 the policy is folded. Every such life insurance company shall  
322 submit to the commissioner for his approval the words required in  
323 this section to be printed on each policy, together with sample  
324 copy of every kind or class of policies offered for sale in this  
325 state; and every life insurance company shall print on each of its  
326 policies sold to citizens of this state such words as the  
327 Insurance Commissioner shall approve. The license of any  
328 insurance company doing business in this state may be revoked by  
329 the commissioner for violating any of the provisions of this  
330 section. A policy of life insurance shall not be issued or  
331 delivered in this state until the form has been approved and filed  
332 by the Insurance Commissioner.

333 The commissioner shall collect and pay into the Insurance  
334 Department Fund in the State Treasury a Twenty-five Dollar  
335 (\$25.00) filing and processing fee for the following services  
336 provided under this section: each individual policy contract,  
337 including revisions; each group master policy or contract,  
338 including revisions; each group certificate, including revisions;  
339 each rider, endorsement or amendment, etc.; each insurance

340 application where written application is required and is to be  
341 made a part of the policy or contract; each questionnaire; for  
342 each resubmission where payment is not included with the original  
343 submission; and for all tentative approvals.

344 \* \* \*

345 **SECTION 12.** Section 83-9-3, Mississippi Code of 1972, is  
346 amended as follows:

347 83-9-3. (1) No policy of accident and sickness insurance  
348 shall be delivered or issued for delivery to any person in this  
349 state unless:

350 (a) The entire money and other considerations therefor  
351 are expressed therein; and

352 (b) The time at which the insurance takes effect and  
353 terminates is expressed therein; and

354 (c) It purports to insure only one (1) person, except  
355 that a policy may insure, originally or by subsequent amendment,  
356 upon the application of an adult member of a family who shall be  
357 deemed the policyholder, any two (2) or more eligible members of  
358 that family, including husband, wife, dependent children or any  
359 children under a specified age which shall not exceed nineteen  
360 (19) years, and any other person dependent upon the policyholder;  
361 and

362 (d) The style, arrangement and overall appearance of  
363 the policy give no undue prominence to any portion of the text,  
364 and unless every printed portion of the text of the policy and of  
365 any endorsements or attached papers is plainly printed in  
366 lightfaced type of a style in general use, the size of which shall  
367 be uniform and not less than ten-point with a lowercase unspaced  
368 alphabet length not less than one hundred and twenty-point (the  
369 "text" shall include all printed matter except the name and  
370 address of the insurer, name or title of the policy, the brief  
371 description if any, and captions and subcaptions); and

372           (e) The exceptions and reductions of indemnity are set  
373 forth in the policy and, except those which are set forth in  
374 Section 83-9-5, are printed, at the insurer's option, either with  
375 the benefit provision to which they apply, or under an appropriate  
376 caption such as "Exceptions," or "Exceptions and Reductions,"  
377 provided that if an exception or reduction specifically applies  
378 only to a particular benefit of the policy, a statement of such  
379 exception or reduction shall be included with the benefit  
380 provision to which it applies; and

381           (f) Each such form, including riders and endorsements,  
382 shall be identified by a form number in the lower left-hand corner  
383 of the first page thereof; and

384           (g) It contains no provision purporting to make any  
385 portion of the charter, rules, constitution or bylaws of the  
386 insurer a part of the policy unless such portion is set forth in  
387 full in the policy, except in the case of the incorporation of, or  
388 reference to, a statement of rates or classification of risks, or  
389 short-rate table filed with the commissioner.

390           (2) No individual or group policy covering health and  
391 accident insurance (including experience-rated insurance  
392 contracts, indemnity contracts, self-insured plans and self-funded  
393 plans), or any group combinations of these coverages, shall be  
394 issued by any commercial insurer doing business in this state  
395 which, by the terms of such policy, limits or excludes payment  
396 because the individual or group insured is eligible for or is  
397 being provided medical assistance under the Mississippi Medicaid  
398 Law. Any such policy provision in violation of this section shall  
399 be invalid.

400           (3) If any policy is issued by an insurer domiciled in this  
401 state for delivery to a person residing in another state, and if  
402 the official having responsibility for the administration of the  
403 insurance laws of such other state shall have advised the  
404 commissioner that any such policy is not subject to approval or

405 disapproval by such official, the commissioner may, by ruling,  
406 require that such policy meet the standards set forth in  
407 subsection (1) of this section and in Section 83-9-5.

408 (4) The commissioner shall collect and pay into the special  
409 fund in the State Treasury designated as the "Insurance Department  
410 Fund" a Twenty-five Dollar (\$25.00) filing and processing fee for  
411 the following services provided under this section: each  
412 individual policy contract, including revisions; each group master  
413 policy or contract, including revisions; each group certificate,  
414 including revisions; each rider, endorsement or amendment, etc.;  
415 each insurance application where written application is required  
416 and is to be made a part of the policy or contract; each  
417 questionnaire; for each resubmission where payment is not included  
418 with the original submission; for rate filings for Medicare  
419 supplement and long-term care; and for all tentative approvals.

420 \* \* \*

421 **SECTION 13.** Section 83-11-237, Mississippi Code of 1972, is  
422 amended as follows:

423 83-11-237. (1) An automobile club operating in this state  
424 pursuant to a certificate of authority issued hereunder shall,  
425 within thirty (30) days of the date of appointment, file with the  
426 commissioner a notice of appointment of a club agent by an  
427 automobile club to sell memberships in the automobile club to the  
428 public. This notification shall be upon such form as the  
429 commissioner may prescribe, shall contain the name, address, age,  
430 sex, and social security number of such club agent, and also  
431 contain proof satisfactory to the commissioner that such applicant  
432 is of good reputation and that he has received training from the  
433 club or is otherwise qualified in the field of automobile club  
434 service contracts and the laws of this state pertaining thereto.  
435 Upon termination of any club agent's appointment by an automobile  
436 club, such automobile club shall, within thirty (30) days  
437 thereafter, notify the commissioner of such termination.

438 (2) The registration fee for club agents shall be  
439 Twenty-five Dollars (\$25.00) annually, and such registration shall  
440 be renewable on April 1 of each year unless sooner revoked or  
441 suspended.

442 **SECTION 14.** Section 83-11-243, Mississippi Code of 1972, is  
443 amended as follows:

444 83-11-243. Each authorized automobile club shall annually,  
445 before March 1, file with the commissioner a true statement of its  
446 financial condition, transactions, and affairs as of December 31  
447 preceding. The statement shall contain such information as may be  
448 reasonably required by the commissioner, and shall be verified by  
449 the oaths of at least two (2) of the automobile club's principal  
450 officers.

451 The commissioner shall collect and pay into the special fund  
452 in the State Treasury designated as the "Insurance Department  
453 Fund" a fee of One Hundred Dollars (\$100.00) for the filing of the  
454 statement of its financial condition, transactions and affairs.

455 The commissioner may suspend or revoke the certificate of  
456 authority of any automobile club failing to file its annual  
457 statement when due or during any extension of time therefor which  
458 the commissioner, for good cause, may grant.

459 **SECTION 15.** Section 83-18-27, Mississippi Code of 1972, is  
460 amended as follows:

461 83-18-27. (1) Each administrator shall file an annual  
462 report for the preceding calendar year with the commissioner on or  
463 before March 1 of each year, or within such extension of time  
464 therefor as the commissioner for good cause may grant. The report  
465 shall be in the form and contain such matters as the commissioner  
466 prescribes and shall be verified by at least two (2) officers of  
467 the administrator.

468 (2) The annual report shall include the complete names and  
469 addresses of all insurers with which the administrator had an  
470 agreement during the preceding fiscal year.

471           (3) The commissioner shall collect and pay into the special  
472 fund in the State Treasury designated as the "Insurance Department  
473 Fund" a fee of One Hundred Dollars (\$100.00) for the filing of the  
474 annual report.

475           **SECTION 16.** Section 83-21-17, Mississippi Code of 1972, is  
476 amended as follows:

477           83-21-17. The Commissioner of Insurance shall annually  
478 promulgate a list of nonadmitted insurers and each such insurer  
479 shall meet the same requirements as to capital and surplus as is  
480 required of a company licensed to do business in the State of  
481 Mississippi and annually pay a filing fee of One Thousand Dollars  
482 (\$1,000.00) for certification review as a nonadmitted insurer. An  
483 alien insurer shall be listed with the nonadmitted Insurers  
484 Information Office of the National Association of Insurance  
485 Commissioners. In the case of an alien insurer authorized to  
486 transact insurance of the kind involved in at least one (1) state  
487 of the United States, the insurer must have unimpaired capital  
488 and/or surplus or an effective trust fund amounting to at least  
489 One Million Five Hundred Thousand Dollars (\$1,500,000.00) and, in  
490 the case of a group including incorporated and individual  
491 unincorporated insurers, the trust fund must be in the amount of  
492 not less than Fifty Million Dollars (\$50,000,000.00). The  
493 incorporated members of the group shall not be engaged in any  
494 business other than underwriting as a member of the group and  
495 shall be subject to the same level of solvency regulation and  
496 control by the group's domiciliary regulator as are the  
497 unincorporated members. In the case of an alien insurer not  
498 authorized to transact business in at least one (1) state of the  
499 United States, the insurer must have an established trust fund of  
500 at least One Million Five Hundred Thousand Dollars (\$1,500,000.00)  
501 within the United States administered by a recognized financial  
502 institution and held for the benefit of all its policyholders in  
503 the United States. The Commissioner of Insurance is specifically

504 vested with authority to promulgate such rules and regulations as  
505 deemed necessary to carry out the provisions hereof and to publish  
506 a list of nonadmitted insurers found eligible for writing business  
507 in the State of Mississippi on a nonadmitted basis. The  
508 commissioner may, by giving seven (7) days' notice, at any time  
509 remove a nonadmitted insurer from such eligible list when it  
510 appears that such insurer no longer meets the requirements of the  
511 statute or regulations of the commissioner. When a nonadmitted  
512 insurer is placed upon or removed from the eligible list, all  
513 agents holding licenses under Sections 83-21-17 through 83-21-31  
514 shall be notified of such eligibility or removal. Any agent of  
515 this state who places insurance with a nonadmitted insurer not on  
516 the list of eligible insurers shall be deemed in violation of the  
517 cited sections and shall be subject to revocation of license in  
518 the manner provided by statute for revocation of license of fire  
519 and casualty insurance agents.

520       **SECTION 17.** Section 83-49-7, Mississippi Code of 1972, is  
521 amended as follows:

522       83-49-7. (1) No person other than an insurer as defined  
523 herein shall act as a sponsor nor enter into any contract with an  
524 individual person or persons whereby such person or persons become  
525 subscribers to a prepaid legal services plan without first having  
526 obtained a license from the commissioner to act as sponsor of  
527 prepaid legal services in this state.

528       (2) The annual license fee shall not exceed Six Hundred  
529 Fifty Dollars (\$650.00). The fee for said license shall be paid  
530 to the commissioner for the use of the state on or before March 1  
531 of each year.

532       (3) Before any licensee changes his address, he shall return  
533 his license to the commissioner who shall endorse the license  
534 indicating the change.

535       (4) The person to whom the license or the renewal thereof  
536 may be issued shall file sworn answers, subject to the penalties



537 of perjury, to such interrogatories as the commissioner may  
538 require. The commissioner shall have authority, at any time, to  
539 require the applicant to disclose fully the identity of all  
540 stockholders, partners, officers and employees, and he may, in his  
541 discretion, refuse to issue or renew a license in the name of any  
542 firm, partnership or corporation if he is not satisfied that any  
543 officer, employee, stockholder or partner thereof who may  
544 materially influence the applicant's conduct meets the standards  
545 of this chapter.

546 **SECTION 18.** Section 83-49-47, Mississippi Code of 1972, is  
547 amended as follows:

548 83-49-47. (1) No person shall act as a representative of a  
549 sponsor or agent of a sponsor as defined in Section 83-17-1,  
550 Mississippi Code of 1972, without first having obtained a license  
551 from the commissioner to act as an agent or representative of a  
552 sponsor of prepaid legal services in this state.

553 (2) The annual license fee shall be Twenty-five Dollars  
554 (\$25.00). The fee for said license shall be paid to the  
555 commissioner on or before March 1 of each year.

556 (3) Before any licensee changes his address, he shall return  
557 his license to the commissioner, who shall endorse the license  
558 indicating the change.

559 (4) Each person to whom the license or the renewal thereof  
560 may be issued shall file sworn answers, subject to the penalties  
561 of perjury, to such interrogatories as the commissioner may  
562 require. The commissioner shall have authority, at any time, to  
563 require the applicant to disclose fully the identity of all  
564 stockholders, partners, officers and employees, and he may, in his  
565 discretion, refuse to issue or renew a license in the name of any  
566 firm, partnership or corporation if he is not satisfied that any  
567 officer, employee, stockholder or partner thereof who may  
568 materially influence the applicant's conduct meets the standards  
569 of this chapter.

570           (5) Upon the filing of an application and the payment of the  
571 license fee, the commissioner shall make an investigation of each  
572 applicant and shall issue a license if he finds the applicant is  
573 qualified in accordance with this chapter. If the commissioner  
574 does not so find, he shall, within ninety (90) days after he has  
575 received such application, so notify the applicant and, at the  
576 request of the applicant, give the applicant a full hearing.

577           (6) The commissioner shall issue or renew a license applied  
578 for when he is satisfied that the person to be licensed:

579                   (a) Is competent and trustworthy and intends to act in  
580 good faith as an agent or representative of a sponsor of prepaid  
581 legal services plans in this state;

582                   (b) Has a good business reputation and has had  
583 experience, training or education so as to be qualified to act as  
584 an agent or representative of a sponsor of prepaid legal services  
585 plans.

586           **SECTION 19.** This act shall take effect and be in force from  
587 and after July 1, 2004.