

By: Representative Stevens

To: Insurance

HOUSE BILL NO. 346

1 AN ACT TO AMEND SECTION 83-5-17, MISSISSIPPI CODE OF 1972, TO
2 AUTHORIZE THE COMMISSIONER OF INSURANCE TO REVOKE THE LICENSE OF
3 AN INSURANCE COMPANY IF THE COMMISSIONER FINDS ITS FINANCIAL
4 CONDITION UNSOUND; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 83-5-17, Mississippi Code of 1972, is
7 amended as follows:

8 83-5-17. The Commissioner of Insurance may, after notice and
9 a hearing, revoke the authority of a domestic or foreign insurance
10 company or impose an administrative fine, or both, if it violates
11 or neglects to comply with any provision of law obligatory on it,
12 or whenever in the opinion of the commissioner its condition is
13 unsound, or its assets above its liabilities, exclusive of capital
14 and inclusive of unearned premiums, are less than the amount of
15 its original capital or required unimpaired funds. Such
16 administrative fine shall not exceed Five Thousand Dollars
17 (\$5,000.00) per violation and shall be deposited into the special
18 fund in the State Treasury designated as the "Insurance Department
19 Fund."

20 **SECTION 2.** This act shall take effect and be in force from
21 and after July 1, 2004.