

By: Senator(s) Kirby, Browning, Burton, Butler, Carmichael, Chaney, Davis, Dawkins, Dearing, Flowers, Frazier, Harden, Hyde-Smith, Jackson (11th), Jackson (32nd), King, Lee (35th), Little, Mettetal, Moffatt, Morgan, Nunnelee, Posey, Robertson, Ross, Thomas, Walls, Wilemon, Williamson, Horhn

To: Insurance

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2332

1 AN ACT TO AMEND SECTION 75-24-5, MISSISSIPPI CODE OF 1972, TO  
2 PROVIDE THAT CERTAIN RATE INCREASES FOR MOTOR VEHICLE INSURANCE  
3 FOR INSURED ON ACTIVE MILITARY DUTY CONSTITUTE UNFAIR TRADE  
4 PRACTICES UNDER THE MISSISSIPPI CONSUMER PROTECTION ACT; AND FOR  
5 RELATED PURPOSES.

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

7 **SECTION 1.** Section 75-24-5, Mississippi Code of 1972, is  
8 amended as follows:

9 75-24-5. (1) Unfair methods of competition affecting  
10 commerce and unfair or deceptive trade practices in or affecting  
11 commerce are prohibited. Action may be brought under Section  
12 75-24-5(1) only under the provisions of Section 75-24-9.

13 (2) Without limiting the scope of subsection (1) of this  
14 section, the following unfair methods of competition and unfair or  
15 deceptive trade practices or acts in the conduct of any trade or  
16 commerce are hereby prohibited:

17 (a) Passing off goods or services as those of another;

18 (b) Misrepresentation of the source, sponsorship,  
19 approval, or certification of goods or services;

20 (c) Misrepresentation of affiliation, connection, or  
21 association with, or certification by another;

22 (d) Misrepresentation of designations of geographic  
23 origin in connection with goods or services;

24 (e) Representing that goods or services have  
25 sponsorship, approval, characteristics, ingredients, uses,  
26 benefits, or quantities that they do not have or that a person has  
27 a sponsorship, approval, status, affiliation, or connection that  
28 he does not have;

29 (f) Representing that goods are original or new if they  
30 are reconditioned, reclaimed, used, or secondhand;

31 (g) Representing that goods or services are of a  
32 particular standard, quality, or grade, or that goods are of a  
33 particular style or model, if they are of another;

34 (h) Disparaging the goods, services, or business of  
35 another by false or misleading representation of fact;

36 (i) Advertising goods or services with intent not to  
37 sell them as advertised;

38 (j) Advertising goods or services with intent not to  
39 supply reasonably expectable public demand, unless the  
40 advertisement discloses a limitation of quantity;

41 (k) Misrepresentations of fact concerning the reasons  
42 for, existence of, or amounts of price reductions;

43 (l) Advertising by or on behalf of any licensed or  
44 regulated health care professional which does not specifically  
45 describe the license or qualifications of the licensed or  
46 regulated health care professional;

47 (m) Charging an increased premium for reinstating a  
48 motor vehicle insurance policy that was cancelled or suspended by  
49 the insured solely for the reason that he was transferred out of  
50 this state while serving in the United States Armed Forces or on  
51 active duty in the National Guard or United States Armed Forces  
52 Reserve. It is also an unfair practice for an insurer to charge  
53 an increased premium for a new motor vehicle insurance policy if  
54 the applicant for coverage or his covered dependents were  
55 previously insured with a different insurer and canceled that  
56 policy solely for the reason that he was transferred out of this  
57 state while serving in the United States Armed Forces or on active  
58 duty in the National Guard or United States Armed Forces Reserve.  
59 For purposes of determining premiums, an insurer shall consider  
60 such persons as having maintained continuous coverage. The  
61 provisions of this paragraph (m) shall apply only to such

62 instances when the insured does not drive the vehicle during the  
63 period of cancellation or suspension of his policy.

64         **SECTION 2.** This act shall take effect and be in force from  
65 and after its passage.