

House Amendments to Senate Bill No. 2006

TO THE SECRETARY OF THE SENATE:

THIS IS TO INFORM YOU THAT THE HOUSE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

AMENDMENT NO. 1

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

7 **SECTION 1.** Section 83-5-28, Mississippi Code of 1972, is
8 amended as follows:

9 83-5-28. (1) A cancellation, reduction in coverage or
10 nonrenewal of liability insurance coverage, fire insurance
11 coverage or single premium multiperil insurance coverage is not
12 effective as to any coverage issued or renewed after June 30,
13 1989, unless notice is mailed or delivered to the insured and to
14 any named creditor loss payee by the insurer not less than thirty
15 (30) days prior to the effective date of such cancellation,
16 reduction or nonrenewal. This section shall not apply to
17 nonpayment of premium unless there is a named creditor loss payee,
18 in which case at least ten (10) days' notice is required.

19 (2) The provisions of subsection (1) shall be incorporated
20 into each liability, fire and multiperil policy issued or renewed
21 after June 30, 1989; and if such provisions are not expressly
22 stated in the policy, such provisions shall be deemed to be
23 incorporated in the policy.

24 **SECTION 2.** Section 83-11-5, Mississippi Code of 1972, is
25 amended as follows:

26 83-11-5. No notice of cancellation of a policy to which
27 Section 83-11-3 applies shall be effective unless mailed or
28 delivered by the insurer to the named insured and to any named
29 creditor loss payee at least thirty (30) days prior to the
30 effective date of cancellation; provided, however, that where
31 cancellation is for nonpayment of premium at least ten (10) days'
32 notice of cancellation accompanied by the reason therefor shall be

33 given. Unless the reason accompanies or is included in the notice
34 of cancellation, the notice of cancellation shall state or be
35 accompanied by a statement that upon written request of the named
36 insured, mailed or delivered to the insurer not less than fifteen
37 (15) days prior to the effective date of cancellation, the insurer
38 will specify the reason for such cancellation.

39 This section shall not apply to nonrenewal unless there is a
40 named creditor loss payee.

41 **SECTION 3.** Section 83-11-7, Mississippi Code of 1972, is
42 amended as follows:

43 83-11-7. No insurer shall fail to renew a policy unless it
44 shall mail or deliver to the named insured, at the address shown
45 in the policy and to the named creditor loss payee, at least
46 thirty (30) days' advance notice of its intention not to renew.
47 This section shall not apply if there is no named creditor loss
48 payee and:

49 (a) If the insurer has manifested its willingness to
50 renew, subject to certain specified conditions which are not met
51 by the insured; nor

52 (b) If the insured has manifested its unwillingness to
53 renew; nor

54 (c) In case of nonpayment of premium; nor

55 (d) In case of failure to make timely payment of dues
56 to, or to maintain membership in good standing with, a designated
57 association, corporation or other organization where the original
58 issue of such policy or renewal was dependent upon such
59 membership; provided that, notwithstanding the failure of an
60 insurer to comply with this section, the policy shall terminate on
61 the effective date of any other insurance policy with respect to
62 any automobile designated in both policies.

63 Renewal of a policy shall not constitute a waiver or estoppel
64 with respect to grounds for cancellation which existed before the
65 effective date of such renewal, and if a policy shall be cancelled
66 as authorized by this article prior to such policy's renewal, such

67 cancellation shall terminate any right of renewal conferred by
68 this article.

69 **SECTION 4.** This act shall take effect and be in force from
70 and after July 1, 2006.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTIONS 83-5-28, 83-11-5 AND 83-11-7,
2 MISSISSIPPI CODE OF 1972, TO REQUIRE NOTICE OF CANCELLATION,
3 REDUCTION IN COVERAGE OR NONRENEWAL OF COVERAGE TO BE MAILED OR
4 DELIVERED BY THE INSURER TO THE NAMED CREDITOR LOSS PAYEE; AND FOR
5 RELATED PURPOSES.

HR03\SB2006A.J

Don Richardson
Clerk of the House of Representatives