

By: Representatives Peranich, Upshaw

To: Ways and Means

HOUSE BILL NO. 298

1 AN ACT TO CREATE A SPECIAL FUND IN THE STATE TREASURY TO BE
2 KNOWN AS THE "MISSISSIPPI WINDSTORM UNDERWRITING ASSOCIATION
3 REINSURANCE ASSISTANCE FUND"; TO PROVIDE THAT MONIES IN THE
4 SPECIAL FUND MAY BE USED BY THE DEPARTMENT OF INSURANCE, UPON
5 APPROPRIATION BY THE LEGISLATURE, FOR THE PURPOSE OF ASSISTING THE
6 MISSISSIPPI WINDSTORM UNDERWRITING ASSOCIATION IN DEFRAYING
7 EXPENSES AND COSTS FOR REINSURANCE; TO PROVIDE THAT THE
8 MISSISSIPPI WINDSTORM UNDERWRITING ASSOCIATION MAY USE SUCH FUNDS
9 FOR THE PURPOSE OF DEFRAYING EXPENSES AND COSTS FOR REINSURANCE;
10 TO PROVIDE THAT ANY MONIES IN EXCESS OF \$50,000,000.00 REMAINING
11 IN THE SPECIAL FUND AT THE END OF A FISCAL YEAR THAT HAVE NOT BEEN
12 APPROPRIATED WILL LAPSE INTO THE STATE GENERAL FUND; TO REQUIRE
13 THE COMMISSIONER OF INSURANCE TO FILE A REPORT WITH THE JOINT
14 LEGISLATIVE BUDGET COMMITTEE NOT LATER THAN SEPTEMBER 1 OF EACH
15 YEAR, RECOMMENDING THE AMOUNT OF ASSISTANCE, IF ANY, NEEDED BY THE
16 MISSISSIPPI WINDSTORM UNDERWRITING ASSOCIATION FOR REINSURANCE
17 EXPENSES AND COSTS; TO AMEND SECTION 75-76-129, MISSISSIPPI CODE
18 OF 1972, TO PROVIDE THAT A PORTION OF THE STATE'S SHARE OF GAMING
19 LICENSE FEES SHALL BE DEPOSITED INTO THE MISSISSIPPI WINDSTORM
20 UNDERWRITING ASSOCIATION REINSURANCE ASSISTANCE FUND; AND FOR
21 RELATED PURPOSES.

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

23 **SECTION 1.** (1) (a) There is created in the State Treasury
24 a special fund to be designated as the "Mississippi Windstorm
25 Underwriting Association Reinsurance Assistance Fund." The fund
26 shall consist of monies deposited therein as provided under
27 Section 75-76-129 and monies from any other source designated for
28 deposit into such fund. Unexpended amounts remaining in the fund
29 at the end of a fiscal year shall not lapse into the State General
30 Fund, and any interest earned or investment earnings on amounts in
31 the fund shall be deposited to the credit of the fund; however,
32 any monies in excess of Fifty Million Dollars (\$50,000,000.00)
33 remaining in the fund at the end of a fiscal year that have not
34 been appropriated shall lapse into the State General Fund.

35 (b) Monies in the special fund may be used by the
36 Department of Insurance, upon appropriation by the Legislature,

37 only for the purpose of assisting the Mississippi Windstorm
38 Underwriting Association ("association") in defraying expenses and
39 costs for reinsurance under Section 83-34-1 et seq. The
40 association may use any such funds received from the Department of
41 Insurance for the sole purpose of defraying expenses and costs for
42 reinsurance. Monies in the fund used for the purposes described
43 in this paragraph (b) shall be in addition to other funds
44 available from any other source for such purposes.

45 (c) Monies in the special fund may not be used,
46 expended or transferred for any other purpose except upon
47 amendment to this section by a bill enacted by the Legislature
48 with a vote of not less than two-thirds (2/3) of the members of
49 each house present and voting.

50 (2) (a) The Commissioner of Insurance shall file a report
51 with the Joint Legislative Budget Committee not later than
52 September 1 of each year, recommending the amount of assistance,
53 if any, needed by the Mississippi Windstorm Underwriting
54 Association for reinsurance expenses and costs. The Commissioner
55 of Insurance also shall provide a copy of the report to the
56 Attorney General and the Executive Director of the Mississippi
57 Development Authority.

58 (b) The Mississippi Windstorm Underwriting Association
59 shall prepare and file detailed reports with the Clerk of the
60 House of Representatives, Secretary of the Senate, Commissioner of
61 Insurance, Attorney General and Executive Director of the
62 Mississippi Development Authority regarding the receipt and
63 expenditure of monies by the association under this section.

64 **SECTION 2.** Section 75-76-129, Mississippi Code of 1972, is
65 amended as follows:

66 **[Through June 30, 2022, this section shall read as follows:]**

67 75-76-129. On or before the last day of each month all
68 taxes, fees, interest, penalties, damages, fines or other monies
69 collected by the State Tax Commission during that month under the

70 provisions of this chapter, with the exception of (a) the local
71 government fees imposed under Section 75-76-195, * * * (b) an
72 amount equal to Three Million Dollars (\$3,000,000.00) of the
73 revenue collected pursuant to the fee imposed under Section
74 75-76-177(1)(c), and (c) an amount equal to One Million Five
75 Hundred Thousand Dollars (\$1,500,000.00) of the revenue collected
76 pursuant to the fee imposed under Section 75-76-177(1)(c), shall
77 be paid by the State Tax Commission to the State Treasurer to be
78 deposited in the State General Fund. The local government fees
79 shall be distributed by the State Tax Commission pursuant to
80 Section 75-76-197. An amount equal to Three Million Dollars
81 (\$3,000,000.00) of the revenue collected during that month
82 pursuant to the fee imposed under Section 75-76-177(1)(c) shall be
83 deposited by the State Tax Commission into the bond sinking fund
84 created in Section 65-39-3. An amount equal to One Million Five
85 Hundred Thousand Dollars (\$1,500,000.00) of the revenue collected
86 during that month pursuant to the fee imposed under Section
87 75-76-177(1)(c) shall be deposited by the State Tax Commission
88 into the Mississippi Windstorm Underwriting Association
89 Reinsurance Assistance Fund created under Section 1 of House Bill
90 No. _____, 2007 Regular Session.

91 **[From and after July 1, 2022, this section shall read as**
92 **follows:]**

93 75-76-129. On or before the last day of each month, all
94 taxes, fees, interest, penalties, damages, fines or other monies
95 collected by the State Tax Commission during that month under the
96 provisions of this chapter, with the exception of the local
97 government fees imposed under Section 75-76-195, shall be paid by
98 the State Tax Commission to the State Treasurer to be deposited in
99 the State General Fund. The local government fees shall be
100 distributed by the State Tax Commission pursuant to Section
101 75-76-197.

102 **SECTION 3.** This act shall take effect and be in force from
103 and after its passage.