

By: Representative Baker (74th)

To: Insurance

HOUSE BILL NO. 1529

1 AN ACT TO AMEND SECTION 63-15-43, MISSISSIPPI CODE OF 1972,  
2 TO REVISE THE DEFINITION OF THE TERM "MOTOR VEHICLE LIABILITY  
3 POLICY" UNDER THE MISSISSIPPI MOTOR VEHICLE SAFETY-RESPONSIBILITY  
4 LAW; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 63-15-43, Mississippi Code of 1972, is  
7 amended as follows:

8 63-15-43. (1) A "motor vehicle liability policy" as said  
9 term is used in this chapter shall mean an insurance policy issued  
10 as proof of liability insurance as required by Section  
11 63-15-4(2)(a) and (b), or an owner's or an operator's policy of  
12 liability insurance, certified as provided in Section 63-15-39 or  
13 Section 63-15-41, as proof of financial responsibility, and  
14 issued, except as otherwise provided in Section 63-15-41, by an  
15 insurance company duly authorized to write motor vehicle liability  
16 insurance in this state, to or for the benefit of the person named  
17 therein as insured.

18 (2) Such owner's policy of liability insurance:

19 (a) Shall designate by explicit description or by  
20 appropriate reference all motor vehicles with respect to which  
21 coverage is thereby to be granted.

22 (b) Shall pay on behalf of the insured named therein  
23 and any other person, as insured, using any such motor vehicle or  
24 motor vehicles with the express or implied permission of such  
25 named insured, all sums which the insured shall become legally  
26 obligated to pay as damages arising out of the ownership,  
27 maintenance or use of such motor vehicle or motor vehicles within  
28 the United States of America or the Dominion of Canada, subject to

29 limits exclusive of interest and costs, with respect to each such  
30 motor vehicle, as follows: Twenty-five Thousand Dollars  
31 (\$25,000.00) because of bodily injury to or death of one (1)  
32 person in any one (1) accident and, subject to said limit for one  
33 (1) person, Fifty Thousand Dollars (\$50,000.00) because of bodily  
34 injury to or death of two (2) or more persons in any one (1)  
35 accident, and Twenty-five Thousand Dollars (\$25,000.00) because of  
36 injury to or destruction of property of others in any one (1)  
37 accident.

38 (3) Such operator's policy of liability insurance shall pay  
39 on behalf of the insured named therein all sums which the insured  
40 shall become legally obligated to pay as damages arising out of  
41 the use by him of any motor vehicle not owned by him, within the  
42 same territorial limits and subject to the same limits of  
43 liability as are set forth above with respect to an owner's policy  
44 of liability insurance.

45 (4) Such motor vehicle liability policy shall state the name  
46 and address of the named insured, the coverage afforded by the  
47 policy, the premium charged therefor, the policy period and the  
48 limits of liability, and shall contain an agreement or be endorsed  
49 that insurance is provided thereunder in accordance with the  
50 coverage defined in this chapter as respects bodily injury and  
51 death or property damage, or both, and is subject to all the  
52 provisions of this chapter.

53 (5) Such motor vehicle liability policy shall not insure:

54 (a) Any obligation for which the insured or any company  
55 as his insurer may be held liable under any workmen's compensation  
56 law;

57 (b) Any liability on account of bodily injury to or  
58 death of any employee of the insured while engaged in the  
59 employment, other than domestic, of the insured, or in domestic  
60 employment if benefits therefor are either payable or required to  
61 be provided under any workmen's compensation law; or

62           (c) Any liability because of injury to or destruction  
63 of property owned by, rented to, in charge of or transported by  
64 the insured.

65           (6) Every motor vehicle liability policy shall be subject to  
66 the following provisions which need not be contained therein:

67           (a) The liability of the insurance company with respect  
68 to the insurance required by this chapter shall become absolute  
69 whenever injury or damage covered by said motor vehicle liability  
70 policy occurs; said policy may not be cancelled or annulled as to  
71 such liability by any agreement between the insurance company and  
72 the insured after the occurrence of the injury or damage; no  
73 statement made by the insured or on his behalf and no violation of  
74 said policy shall defeat or void said policy;

75           (b) The satisfaction by the insured of a judgment for  
76 such injury or damage shall not be a condition precedent to the  
77 right or duty of the insurance company to make payment on account  
78 of such injury or damage;

79           (c) The insurance company shall have the right to  
80 settle any claim covered by the policy, and if such settlement is  
81 made in good faith, the amount thereof shall be deductible from  
82 the limits of liability specified in paragraph (b) of subsection  
83 (2) of this section; or

84           (d) The policy, the written application therefor, if  
85 any, and any rider or endorsement which does not conflict with the  
86 provisions of the chapter shall constitute the entire contract  
87 between the parties.

88           (7) Any policy which grants the coverage required for a  
89 motor vehicle liability policy may also grant any lawful coverage  
90 in excess of or in addition to the coverage specified for a motor  
91 vehicle liability policy, and such excess or additional coverage  
92 shall not be subject to the provisions of this chapter. With  
93 respect to a policy which grants such excess or additional  
94 coverage, the term "motor vehicle liability policy" shall apply

95 only to that part of the coverage which is required by this  
96 section.

97 (8) Any motor vehicle liability policy may provide that the  
98 insured shall reimburse the insurance company for any payment the  
99 insurance company would not have been obligated to make under the  
100 terms of the policy except for the provisions of this chapter.

101 (9) Any motor vehicle liability policy may provide for the  
102 prorating of the insurance thereunder with other valid and  
103 collectible insurance.

104 (10) The requirements for a motor vehicle liability policy  
105 may be fulfilled by the policies of one or more insurance  
106 companies which policies together meet such requirements.

107 (11) Any binder issued pending the issuance of a motor  
108 vehicle liability policy shall be deemed to fulfill the  
109 requirements for such a policy.

110 **SECTION 2.** This act shall take effect and be in force from  
111 and after July 1, 2007.