

By: Representative Chism

To: Insurance

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 525

1 AN ACT TO REQUIRE A CERTIFICATE OF INSURANCE BE PROVIDED TO
2 THE DEPARTMENT OF PUBLIC SAFETY TO REINSTATE A DRIVER'S LICENSE
3 THAT HAS BEEN SUSPENDED UNDER THE IMPLIED CONSENT LAWS; TO REQUIRE
4 A CERTIFICATE OF INSURANCE BE PROVIDED THE DEPARTMENT WHEN A
5 PERSON CAUSES CERTAIN DAMAGE AND THE OTHER PERSON'S UNINSURED
6 MOTORIST COVERAGE HAD TO PAY OUT; TO REQUIRE INSURANCE COMPANIES
7 TO PROVIDE CERTAIN NOTICE TO THE DEPARTMENT OF PUBLIC SAFETY; TO
8 AMEND SECTION 63-15-43, MISSISSIPPI CODE OF 1972, TO REVISE THE
9 DEFINITION OF AND REQUIREMENTS OF A MOTOR VEHICLE LIABILITY
10 POLICY; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** (1) In order for an individual that has received
13 a license suspension under the State of Mississippi's Implied
14 Consent Laws to be eligible for reinstatement, in addition to
15 other requirements at law, he or she must provide to the
16 Department of Public Safety, a certificate of insurance as a
17 method of giving proof of financial responsibility as provided in
18 Sections 63-15-37(1), 63-15-39 and 63-15-41, that shall be
19 maintained for not less than a period of three (3) years after
20 issuance in accordance with the requirements as set forth in
21 Section 63-15-61.



22 (2) If a person operating an automobile caused damages
23 including bodily injury, death or property damage in an amount
24 greater than Five Hundred Dollars (\$500.00), and such person did
25 not have insurance in at least the minimum amounts required under
26 the Mississippi Motor Vehicle Safety-Responsibility Law at the
27 time of such incident causing the damage, resulting in the damaged
28 person's recovery under his uninsured motorist coverage, he or she
29 must provide to the Department of Public Safety proof of financial
30 responsibility in the form of a certificate of insurance, that
31 shall be in effect for not less than a period of three (3) years
32 after issuance in accordance with the requirements as set forth in
33 Section 63-15-61.

34 (3) If a person fails to maintain the certificate of
35 insurance coverage for the time period required under this
36 section, the Department of Public Safety shall suspend the
37 person's driving privilege until either the person resumes the
38 certificate of insurance coverage and pays the required
39 reinstatement fee, or the time period required for the certificate
40 of insurance coverage expires.

41 (4) The Department of Public Safety may promulgate rules and
42 regulations necessary for the implementation of this section.

43 **SECTION 2.** (1) Insurance companies must send to the
44 Department of Public Safety a notice of cancellation within
45 fifteen (15) days of the cancellation of coverage required under
46 Section 1 of this act when such cancellation of coverage occurs



47 before the expiration of the time period required under Section 1
48 of this act.

49 (2) Insurance companies paying out under uninsured motorist
50 coverage in the scenario provided under Section 1(2) of this act
51 shall notify the Department of Public Safety within fifteen (15)
52 days of such uninsured motorist coverage payout.

53 (3) The Commissioner of Insurance may promulgate rules and
54 regulations necessary for the implementation and enforcement of
55 this section.

56 **SECTION 3.** Section 63-15-43, Mississippi Code of 1972, is
57 amended as follows:

58 63-15-43. (1) A "motor vehicle liability policy" as said
59 term is used in this chapter shall mean an owner's or an
60 operator's * * * motor vehicle liability policy, that has been
61 certified as provided in Section 63-15-39 or Section 63-15-41, as
62 proof of financial responsibility, and issued, except as otherwise
63 provided in Section 63-15-41, by an insurance company duly
64 authorized to write motor vehicle liability insurance in this
65 state, to or for the benefit of the person named therein as
66 insured.

67 (2) Such owner's * * * motor vehicle liability policy:

68 (a) * * * May be any motor vehicle liability policy
69 form that has been filed with and approved by the Commissioner of
70 Insurance and may contain exclusions and limitations on coverage



71 as long as the exclusions and limitations language has been filed
72 with and approved by the Commissioner of Insurance.

73 (b) Shall * * * have limits of liability no less than:
74 Twenty-five Thousand Dollars (\$25,000.00) because of bodily injury
75 to or death of one (1) person in any one (1) accident and, subject
76 to said limit for one (1) person, Fifty Thousand Dollars
77 (\$50,000.00) because of bodily injury to or death of two (2) or
78 more persons in any one (1) accident, and Twenty-five Thousand
79 Dollars (\$25,000.00) because of injury to or destruction of
80 property of others in any one (1) accident.

81 * * *

82 (* * *3) Every motor vehicle liability policy certified
83 under the provisions of this chapter shall be subject to the
84 following provisions which need not be contained therein:

85 (a) The liability of the insurance company with respect
86 to the insurance required by this chapter shall become absolute
87 whenever injury or damage covered by said motor vehicle liability
88 policy occurs; said policy may not be cancelled or annulled as to
89 such liability by any agreement between the insurance company and
90 the insured after the occurrence of the injury or damage; no
91 statement made by the insured or on his behalf and no violation of
92 said policy shall defeat or void said policy;

93 (b) The satisfaction by the insured of a judgment for
94 such injury or damage shall not be a condition precedent to the



95 right or duty of the insurance company to make payment on account
96 of such injury or damage;

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

102 (d) The policy, the written application therefor, if
103 any, and any rider or endorsement which does not conflict with the
104 provisions of the chapter shall constitute the entire contract
105 between the parties.

106 (* * *4) Any policy which grants the coverage required for
107 a motor vehicle liability policy may also grant any lawful
108 coverage in excess of or in addition to the coverage specified for
109 a motor vehicle liability policy, and such excess or additional
110 coverage shall not be subject to the provisions of this chapter.
111 With respect to a policy which grants such excess or additional
112 coverage, the term "motor vehicle liability policy" shall apply
113 only to that part of the coverage which is required by this
114 section.

115 (* * *5) Any motor vehicle liability policy may provide
116 that the insured shall reimburse the insurance company for any
117 payment the insurance company would not have been obligated to
118 make under the terms of the policy except for the provisions of
119 this chapter.



120 (* * *6) Any motor vehicle liability policy may provide for
121 the prorating of the insurance there under with other valid and
122 collectible insurance.

123 (* * *7) The requirements for a motor vehicle liability
124 policy may be fulfilled by the policies of one or more insurance
125 companies which policies together meet such requirements.

126 (* * *8) Any binder issued pending the issuance of a motor
127 vehicle liability policy shall be deemed to fulfill the
128 requirements for such a policy.

129 **SECTION 4.** This act shall take effect and be in force from
130 and after January 1, 2017.

