

By: Representative Baria

To: Insurance

HOUSE BILL NO. 773

1 AN ACT TO AMEND SECTION 83-34-35, MISSISSIPPI CODE OF 1972,
2 TO INCREASE THE MISSISSIPPI WINDSTORM UNDERWRITING ASSOCIATION
3 REQUIREMENT FOR THE AMOUNT OF REINSURANCE TO A PROBABLE MAXIMUM
4 LOSS INSURED FOR A STORM EXPECTED TO OCCUR EVERY TWO HUNDRED FIFTY
5 YEARS; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 83-34-35, Mississippi Code of 1972, is
8 amended as follows:

9 83-34-35. In order to avoid or lessen the possibility and
10 amount of surcharges authorized by this chapter, the commissioner
11 shall approve rates for policies issued by the association at
12 least adequate to fund annual reinsurance above a self-insured
13 retention of One Hundred Million Dollars (\$100,000,000.00) that,
14 combined with any readily available reserves of the association,
15 is sufficient to cover at least the probable maximum losses from a
16 storm expected to occur once every * * * two hundred fifty (250)
17 years as predicted by a model or method approved by the
18 commissioner for the properties insured by the association at the
19 time the reinsurance was negotiated. * * * The commissioner may



20 approve rates in excess of the minimums required by this section
21 as consistent with his duties and the insurance laws of the State
22 of Mississippi.

23 **SECTION 2.** This act shall take effect and be in force from
24 and after July 1, 2018.

