

By: Representative Roberson

To: Insurance

HOUSE BILL NO. 482

1 AN ACT TO REENACT SECTIONS 83-79-1 THROUGH 83-79-13,
 2 MISSISSIPPI CODE OF 1972, WHICH ARE THE PROPERTY INSURANCE CLARITY
 3 ACT THAT REQUIRES INSURERS AUTHORIZED TO TRANSACT HOMEOWNERS
 4 INSURANCE BUSINESS IN THE STATE TO PROVIDE POLICY AND PREMIUM
 5 INFORMATION TO THE DEPARTMENT OF INSURANCE AND AUTHORIZES THE
 6 DEPARTMENT TO PUBLISH ON ITS WEBSITE AGGREGATE INFORMATION FOR
 7 HOMEOWNERS INSURANCE POLICIES; TO AMEND REENACTED SECTION
 8 83-79-13, MISSISSIPPI CODE OF 1972, TO EXTEND THE DATE OF THE
 9 REPEALER ON THE PROPERTY INSURANCE CLARITY ACT; AND FOR RELATED
 10 PURPOSES.

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

12 **SECTION 1.** Section 83-79-1, Mississippi Code of 1972, is
 13 reenacted as follows:

14 83-79-1. (1) This chapter shall be known and may be cited
 15 as the Property Insurance Clarity Act.

16 (2) It is the intent and purpose of the Legislature that
 17 this chapter shall serve to allow the Mississippi Insurance
 18 Department to receive and aggregate insurers' homeowner claims
 19 loss data for the purposes of determining the accuracy and
 20 adequacy of catastrophic models and determine the adequacy of
 21 rates by data calls as prescribed in this chapter. This chapter



22 is not intended to and shall not create any separate cause of
23 action.

24 **SECTION 2.** Section 83-79-3, Mississippi Code of 1972, is
25 reenacted as follows:

26 83-79-3. (1) (a) Each insurance company and the
27 Mississippi Windstorm Underwriting Association (herein after
28 "insurers") authorized to transact homeowners insurance business
29 in the State of Mississippi shall once every three (3) years
30 submit to the Mississippi Insurance Department, commencing on or
31 before October 1, 2015, for homeowners insurance policies,
32 computations of the total amount of direct incurred losses, direct
33 earned premiums, policy limits, reinsurance, allocated loss
34 adjustment expense and the number of policies in force by earned
35 house years for the prior calendar year.

36 (b) The insurers shall report the computations to the
37 department by zip code.

38 (c) Such information shall be provided for each of the
39 following policy categories:

40 (i) All homeowners policies that include windstorm
41 coverage;

42 (ii) All homeowners policies that exclude
43 windstorm coverage; and

44 (iii) All policies that only include windstorm
45 coverage.



46 (d) The information received by the department shall be
47 aggregated across all insurers collectively and the aggregated
48 totals shall be arranged by zip code.

49 (e) Homeowners insurance policies shall include
50 condominium insurance, dwelling fire policies, renters/tenants
51 insurance and mobile home/manufactured housing property insurance.

52 (f) Creditor-placed property insurance, condominium
53 association insurance and commercial insurance are excluded from
54 this chapter.

55 (2) Based upon the information submitted to or otherwise
56 gathered by the department, the department may post on the
57 department website the aggregated total of the computations
58 provided under subsection (1) of this section by zip code for the
59 prior calendar year. The department may also post on the
60 department website a general description of the rate-making
61 methodology that the department allows insurers to use in
62 establishing their homeowners rates.

63 (3) Each insurer authorized to transact homeowners insurance
64 business in the state shall submit to the department catastrophe
65 wind/hail information pursuant to a data call by the department
66 based on a specific catastrophic event.

67 **SECTION 3.** Section 83-79-5, Mississippi Code of 1972, is
68 reenacted as follows:

69 83-79-5. No later than October 1, 2015, each insurer
70 authorized to transact homeowners insurance business in this state



71 shall provide the information required pursuant to Section
72 83-79-3(1), for the calendar years 2005 through 2014. Voluntary
73 submissions of the information required by Section 83-79-3(1) for
74 calendar years prior to 2005, may be submitted and shall be
75 compiled by the department and may be posted by the department on
76 the department website in the same manner. Based upon the
77 submitted information, the department shall compile aggregate
78 totals, commencing with calendar year 2005, and may post those
79 aggregate totals on the department website pursuant to Section
80 83-79-2(2).

81 **SECTION 4.** Section 83-79-7, Mississippi Code of 1972, is
82 reenacted as follows:

83 83-79-7. (1) Upon written request of an insurer, the
84 commissioner may waive, modify, or extend for an additional time
85 period, for good cause shown, the reporting requirements imposed
86 by this chapter. The request shall demonstrate good cause for
87 waiving, modifying, or extending the reporting requirements. Good
88 cause may include, but is not limited to, the insurer's limited
89 percentage of the total homeowners insurance market in this state,
90 or the undue burden of compiling and reporting the computations,
91 data, and other information required by this chapter due to the
92 manner, format, or method in which the insurer has stored the
93 computations, data, or other information required.

94 (2) Any insurer that fails to timely comply with the
95 reporting requirements imposed by this chapter shall be given



96 notice by the department of such failure and provided ninety (90)
97 days within which to comply. Any insurer that fails to comply on
98 or before the ninetieth day shall be fined Two Thousand Five
99 Hundred Dollars (\$2,500.00) per month by the department until the
100 date of compliance. Any funds collected pursuant to this
101 subsection shall be deposited into the Municipal Fire Protection
102 Fund.

103 **SECTION 5.** Section 83-79-9, Mississippi Code of 1972, is
104 reenacted as follows:

105 83-79-9. (1) Any information submitted to the department by
106 an insurer pursuant to this chapter shall be reported to the
107 department pursuant to the market analysis provisions in Section
108 83-5-205(4). Further, pursuant to Section 83-5-209(7), all data
109 reported to the commissioner or his designee as part of this
110 market analysis shall also be considered as confidential and
111 privileged materials and afforded all protections from disclosure
112 allowed under Section 83-5-209(7).

113 (2) Once the information from all of the insurers is
114 aggregated, such aggregated information is not a commercially
115 valuable trade secret or otherwise confidential and the department
116 shall provide such information in a digital format in accordance
117 with this chapter upon the request of any person as provided in
118 Section 25-61-1 et seq., but shall not release any company
119 specific data.



120 **SECTION 6.** Section 83-79-11, Mississippi Code of 1972, is
121 reenacted as follows:

122 83-79-11. (1) The commissioner shall promulgate rules
123 consistent with this chapter to notify insurers of their
124 obligations under this chapter and to clarify the data requested
125 and the manner of production of such data.

126 (2) The commissioner may add any and all reasonable data to
127 the data calls created by this chapter, and all such data shall be
128 controlled by this chapter.

129 (3) The commissioner may prepare a report on the aggregate
130 data collected that may give his findings and conclusions, which
131 shall be a public record. Any such report shall not disclose the
132 individual data of any insurer.

133 (4) The commissioner may assess costs to insurers for the
134 cost incurred by the commissioner for outside experts and
135 consultants in preparing the data calls and analysis of the
136 aggregate data, and such costs shall be assessed to the insurers
137 on a pro rata basis based on average premium volume for the last
138 five (5) years for the insurance being surveyed.

139 (5) Nothing in this chapter shall limit the powers and
140 duties of the department and commissioner as provided in other
141 laws.

142 **SECTION 7.** Section 83-79-13, Mississippi Code of 1972, is
143 reenacted and amended as follows:

144 83-79-13. * * * Sections 83-79-1 through



145 83-79-13 shall stand repealed from and after July 1, * * * 2025.

146 **SECTION 8.** This act shall take effect and be in force from
147 and after July 1, 2022.

