

By: Representatives Zuber, Ford (54th)

To: Insurance

HOUSE BILL NO. 822

1 AN ACT TO AMEND SECTIONS 27-15-205, 27-15-223, 83-5-71 AND  
2 83-17-25, MISSISSIPPI CODE OF 1972, TO MAKE LICENSES ISSUED BY THE  
3 COMMISSIONER OF INSURANCE PERPETUAL UNTIL SUCH TIME AS THE  
4 COMMISSIONER OF INSURANCE REVOKES, OR THE LICENSE IS FORFEITED BY  
5 THE LICENSEE; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 27-15-205, Mississippi Code of 1972, is  
8 amended as follows:

9 27-15-205. Upon the receipt of the application herein  
10 required, and payment of the amount shown thereby to be due for  
11 the privilege to be exercised, the officer to whom the application  
12 is made shall determine if the application is in proper form, and  
13 if the correct amount be tendered, and may require the applicant  
14 to furnish such other and further information as in his opinion is  
15 necessary to ascertain the correct amount of tax due. When the  
16 correct amount of the tax has been so ascertained, the officer  
17 shall issue to the applicant taxpayer a privilege license  
18 according to such application, and shall date the same as of the  
19 first day of the month of its issuance except licenses issued by



20 the Commissioner of Insurance will be effective as of the date the  
21 license is issued. The officer issuing the license shall  
22 countersign the same when issued by him, and he shall enter the  
23 same in the register prescribed by law therefor. The license  
24 issued by collectors as herein provided shall be executed in  
25 duplicate, the original shall be delivered to the licensee by the  
26 officer, and the duplicate shall be attached to the application  
27 therefor, and preserved by the officer as a public record.

28 If, however, such officer, shall, before issuing the license,  
29 or at any time thereafter, have reason to believe that the  
30 statements of the business contained in the application are  
31 incorrect or false in any material particular, the officer shall  
32 duly notify the applicant wherein the supposed discrepancy lies,  
33 and he is hereby empowered to require the applicant to render such  
34 other information as will enable him to determine the proper tax  
35 due. After making such determination of the proper tax due, if  
36 the license has not been issued, the officer shall forthwith  
37 proceed to collect the amount of tax due; and if the license shall  
38 have been issued under the original application, he shall collect  
39 the difference between the sum shown to be properly due, and the  
40 sum paid with the original application, and shall issue an  
41 additional license therefor which shall expire at the same time as  
42 the original. If the additional tax is paid within sixty (60)  
43 days after the determination by the office of the proper amount  
44 due, no penalty shall be applied. If the taxpayer shall willfully



45 fail or refuse to furnish the information requested by such  
46 officer, he shall be liable for damages as in other cases of  
47 payment of an insufficient privilege tax, and may be proceeded  
48 against civilly or criminally as otherwise provided herein, and  
49 shall suffer the penalties provided herein therefor.

50 The license issued pursuant to this section shall be good,  
51 usable, and valid for one (1) year after the date thereof, or for  
52 such other period as is fixed by law for the privilege, which  
53 period shall be so designated in the license. Except as provided  
54 in Title 83, Mississippi Code of 1972, for licenses issued by the  
55 Commissioner of Insurance, all statewide licenses shall be issued  
56 for a period no longer than one (1) year.

57 The officer issuing the license shall be authorized to  
58 suspend any license issued to any person pursuant to this section  
59 for being out of compliance with an order for support, as defined  
60 in 93-11-153. The procedure for suspension of a license for being  
61 out of compliance with an order for support, and the procedure for  
62 the reissuance or reinstatement of a license suspended for that  
63 purpose, and the payment of any fees for the reissuance or  
64 reinstatement of a license suspended for that purpose, shall be  
65 governed by Section 93-11-157 or Section 93-11-163, as the case  
66 may be. If there is any conflict between any provision of Section  
67 93-11-157 or Section 93-11-163 and any provision of this chapter,  
68 the provisions of Section 93-11-157 or Section 93-11-163, as the  
69 case may be, shall control.



70           **SECTION 2.** Section 27-15-223, Mississippi Code of 1972, is  
71 amended as follows:

72           27-15-223. It shall be the duty of the officer collecting  
73 the taxes to prepare and have printed the proper privilege tax  
74 license blanks necessary to carry into effect the laws relating to  
75 privilege taxes and there shall be printed on each license at the  
76 bottom thereof, the words: "This license shall not make lawful  
77 any act or thing declared to be unlawful by the State of  
78 Mississippi." Except as provided in Title 83, Mississippi Code of  
79 1972, for licenses issued by the Commissioner of Insurance, all  
80 such privilege tax license blanks shall be printed in the form  
81 prescribed by the officer collecting the tax and shall be  
82 imprinted with the fiscal year for which the blanks are to be  
83 issued, and shall be numbered consecutively beginning with number  
84 one (1) of each fiscal year; and shall be made in duplicate, the  
85 original and duplicate to bear the same serial number and be alike  
86 in all respects, except that they be marked "original,"  
87 "duplicate," and be of different colors.

88           **SECTION 3.** Section 83-5-71, Mississippi Code of 1972, is  
89 amended as follows:

90           83-5-71. \* \* \* (1) Notwithstanding any other provision of  
91 law to the contrary, this section shall establish the exclusive  
92 authority with respect to the duration of a privilege license  
93 and/or certificate of authority for an insurer subject to this  
94 chapter licensed and/or holding a certificate of authority to



95 transact business in this state pursuant to Title 83, Mississippi  
96 Code of 1972.

97 (2) An insurer shall make an initial application in a form  
98 as prescribed by the Commissioner and upon being granted approval  
99 to transact business in this state, a license and/or certificate  
100 of authority shall be issued and remain in effect until suspended,  
101 revoked, surrendered or forfeited.

102 (3) Prior to being issued an initial license and/or  
103 certificate of authority, an insurer shall pay the required  
104 privilege taxes and/or fees in accordance with Section 27-15-83  
105 along with other required fees and shall continue to pay the  
106 aforementioned fees on an annual basis on or before March 1 of  
107 each year in order to keep the license and/or certificate of  
108 authority in good standing.

109 (4) Any amendments to the license and/or certificate of  
110 authority requires payment by the insurer of the applicable fees.

111 (5) Insurers who were issued a license and/or certificate of  
112 authority prior to the effective date of this law shall receive an  
113 amended license and/or certificate of authority.

114 **SECTION 4.** Section 83-17-25, Mississippi Code of 1972, is  
115 amended as follows:

116 83-17-25. No certificate of authority shall be issued to any  
117 agent who has not previously obtained from the commissioner a  
118 privilege license to act as an insurance agent; provided that



119 agents or organizers of fraternal orders shall not be required to  
120 have such privilege license.

121 \* \* \*

122 The privilege license of an individual to act as an insurance  
123 producer, limited lines producer, limited lines credit insurance  
124 producer, supervising general agent or managing general agent  
125 shall continue from the date of issuance of original licenses or  
126 from the expiration date for existing licenses until the last day  
127 of the month of the licensee's birthday in the second year  
128 following issuance or renewal of the license, with a minimum term  
129 of thirteen (13) months.

130 The privilege license of a business entity to act as  
131 insurance producer, limited lines producer, limited lines credit  
132 insurance producer, supervising general agent or managing general  
133 agent shall continue from the date of issuance until May 31 in the  
134 second year following issuance or renewal of the license, with a  
135 minimum term of thirteen (13) months.

136 **SECTION 5.** This act shall take effect and be in force from  
137 and after July 1, 2022.

