

By: Senator(s) McDaniel

To: Insurance

SENATE BILL NO. 2466

1 AN ACT TO AMEND SECTION 83-34-13, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT A WIND POOL INSURED SHALL BE RESPONSIBLE FOR NO
3 MORE THAN ONE DEDUCTIBLE PER CALENDAR YEAR FOR LOSSES RESULTING
4 FROM MULTIPLE NAMED STORMS; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 83-34-13, Mississippi Code of 1972, is
7 amended as follows:

8 83-34-13. (1) Within forty-five (45) days after March 22,
9 2007, the directors of the association shall submit to the
10 commissioner for review and approval a proposed plan of operation
11 revised to be consistent with the provisions of Chapter 425, Laws
12 of 2007. The association shall maintain a plan of operation. The
13 plan shall provide for the efficient, economical, fair and
14 nondiscriminatory administration of the association. The plan may
15 include the establishment of a minimum reserve, methods for the
16 nonrecoupable assessment of all assessable insurers for deficits
17 and expenses, the establishment of necessary facilities,
18 management of the association, underwriting standards, procedures
19 for determining the amounts of insurance to be provided to



20 specific risks, time limits and procedures for processing
21 applications for insurance, and for such other provisions as may
22 be deemed necessary by the board to carry out the purposes of this
23 chapter. The plan of operation shall include in the plan of
24 operation a mechanism for recoupment of recoupable assessments.

25 (2) The plan of operation shall provide financial incentives
26 or financial penalties, or both, to ensure that assessable
27 insurers write essential property insurance in the coast area.
28 The incentives and penalties may include, but are not limited to,
29 a reduction in nonrecoupable assessments, adjustments in the
30 percentage of participation, and other incentives and penalties as
31 provided in the plan of operation.

32 (3) The plan of operation shall provide (a) that the
33 association shall offer a two percent (2%) deductible for loss
34 from named storms; * * * (b) that the association shall also offer
35 options for other deductibles for loss from named storms with
36 appropriate rate reductions that shall include at least a twenty
37 percent (20%) deductible for loss from named storms; and (c) that
38 an insured is responsible for no more than one (1) deductible
39 during a single calendar year for loss from named storms.

40 (4) The plan of operation shall provide that the association
41 use actuarially appropriate geographical zones for rating and for
42 the use of credits and penalties to encourage voluntary writing in
43 the coast area.



44 (5) The commissioner shall approve the plan of operation and
45 all amendments before they become effective. It is the obligation
46 of the commissioner to confirm that such plan fulfills the
47 purposes of this chapter. If the commissioner approves a proposed
48 plan or amendment, he shall certify the approval to the directors,
49 and the plan, or amendment thereto, shall become effective ten
50 (10) days after such certification. If the commissioner
51 disapproves all or any part of the proposed plan of operation, or
52 amendment thereto, he shall return the same to the directors with
53 a written statement giving the reasons for disapproval and any
54 recommendations the commissioner may wish to make. Within ten
55 (10) days thereafter, the directors may alter the plan or
56 amendment in accordance with the commissioner's recommendation or
57 may return a new plan to the commissioner. The commissioner shall
58 consider the proposals and shall then promulgate and place into
59 effect a plan of operation certifying the same to the directors of
60 the association after approval by the board of directors. Any
61 such plan promulgated by the commissioner shall take effect ten
62 (10) days after certification to the directors.

63 (6) The commissioner may review the plan of operation at any
64 time he deems expedient or prudent. After review of the plan, the
65 commissioner may amend the plan after consultation with the
66 directors of the association and upon certification to the
67 directors of the amendment.



68 **SECTION 2.** This act shall take effect and be in force from
69 and after July 1, 2022.

